

Trey Grayson
Secretary of State

Certificate

I, Trey Grayson, Secretary of State for the Commonwealth of Kentucky, do hereby certify that the foregoing writing has been carefully compared by me with the original thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of

LOUISVILLE GAS COMPANY ENACTED BY GENERAL ASSEMBLY ON MARCH 16, 1888;

ARTICLES OF AMENDMENT FILED JULY 27, 1912;

ARTICLES OF AGREEMENT AND CONSOLIDATION BETWEEN LOUISVILLE LIGHTING COMPANY, LOUISVILLE GAS COMPANY AND KENTUCKY HEATING COMPANY FORMED BY CONSOLIDATION LOUISVILLE GAS AND ELECTRIC COMPANY FILED JULY 2, 1913;

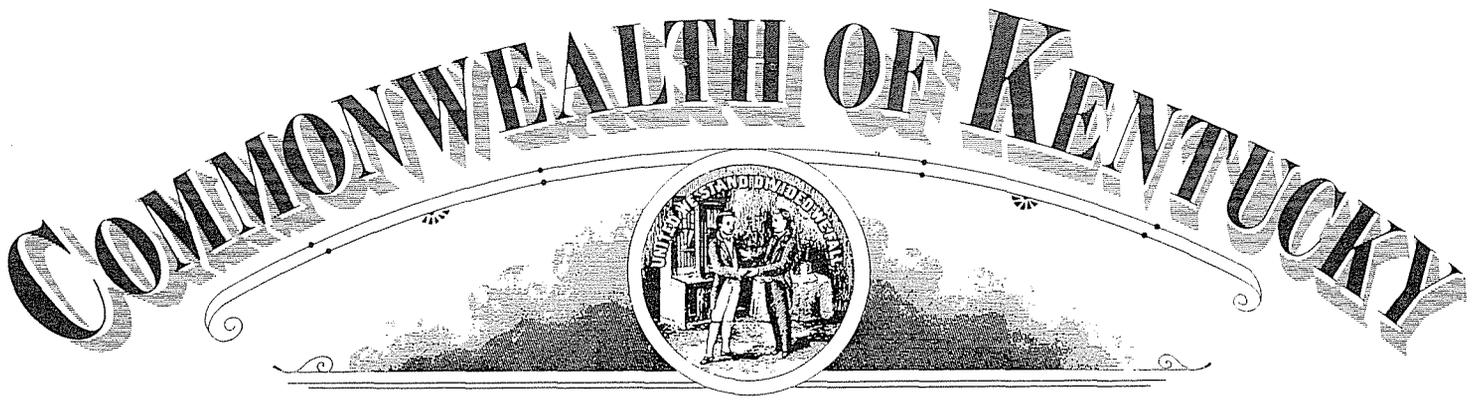
ARTICLES OF AMENDMENT FILED NOVEMBER 7, 1919;

ARTICLES OF AMENDMENT FILED NOVEMBER 25, 1922;

ARTICLES OF AMENDMENT FILED JULY 2, 1925;

ARTICLES OF AMENDMENT FILED OCTOBER 25, 1928;

ARTICLES OF AMENDMENT FILED OCTOBER 4, 1929;



ARTICLES OF AMENDMENT FILED SEPTEMBER 29, 1937;

ARTICLES OF AMENDMENT FILED MAY 29, 1941;

ARTICLES OF AMENDMENT FILED SEPTEMBER 22, 1947;

ARTICLES OF AMENDMENT FILED SEPTEMBER 14, 1948;

ARTICLES OF AMENDMENT FILED NOVEMBER 5, 1956;

ARTICLES OF AMENDMENT FILED MAY 9, 1962;

ARTICLES OF AMENDMENT FILED MAY 15, 1969;

ARTICLES OF AMENDMENT FILED APRIL 3, 1973;

ARTICLES OF AMENDMENT FILED MAY 21, 1974;

ARTICLES OF AMENDMENT FILED MAY 12, 1976;

ARTICLES OF AMENDMENT FILED JUNE 25, 1976;

ARTICLES OF AMENDMENT FILED JUNE 30, 1978;

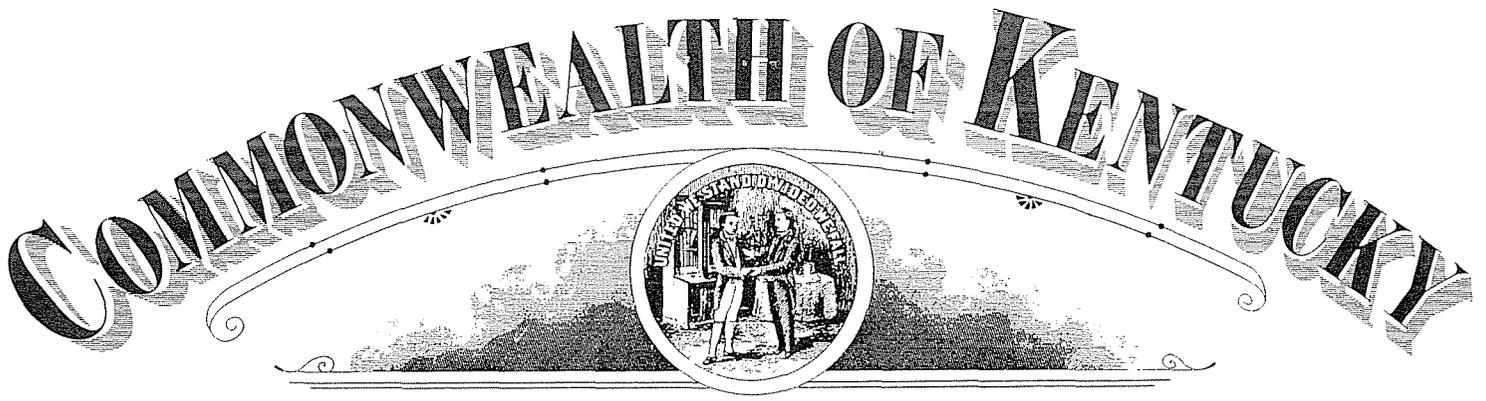
ARTICLES OF AMENDMENT FILED SEPTEMBER 27, 1979;

ARTICLES OF AMENDMENT FILED MAY 14, 1981;

ARTICLES OF AMENDMENT FILED MAY 21, 1987;

RESTATED ARTICLES OF INCORPORATION FILED OCTOBER 8, 1987;

ARTICLES OF AMENDMENT FILED MAY 25, 1989;



ARTICLES OF SHARE EXCHANGE OF LG&E ENERGY CORP. AND LOUISVILLE GAS AND ELECTRIC COMPANY FILED AUGUST 15, 1990, EFFECTIVE DATE AUGUST 17, 1990;

ARTICLES OF MERGER OF OHIO VALLEY TRANSMISSION CORPORATION (NON-QUALIFIED) INTO LOUISVILLE GAS AND ELECTRIC COMPANY FILED AUGUST 15, 1990, EFFECTIVE DATE AUGUST 17, 1990;

ARTICLES OF AMENDMENT FILED FEBRUARY 6, 1992;

ARTICLES OF AMENDMENT FILED APRIL 8, 1993;

ARTICLES OF AMENDMENT FILED MAY 19, 1993;

AMENDED AND RESTATED ARTICLES FILED NOVEMBER 6, 1996;

ARTICLES OF AMENDMENT FILED APRIL 8, 2004.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 18th day of May, 2010.



Trey

Trey Grayson
Secretary of State
Commonwealth of Kentucky
mmullins/0032196 - Certificate ID: 98246

after the year 1888 said taxes shall be paid on or before March first, as is provided in the act to which this is an amendment.

§ 2. This act shall take effect and be in force from and after its passage.

Approved March 18, 1888.

CHAPTER 558.

AN ACT to incorporate the now existing Louisville Gas Company, and to grant it a new charter.

Be it enacted by the General Assembly of the Commonwealth of Kentucky :

§ 1. That the now existing Louisville Gas Company ^{Incorporating and acting} is hereby chartered and incorporated for the full term of thirty years, from and after the first day of January, 1889, and the following charter is granted to said company, to take effect and be in force upon and after said first day of January, 1889, and continue in full force and effect for the term of thirty (30) years, as hereinafter provided.

§ 2. That said company is hereby declared to be a ^{Corporate} body-corporate and politic, with perpetual succession, ^{power.} by the name of the "Louisville Gas Company," and by that name said corporation, its assigns and successors, shall be capable in law of contracting and being contracted with, suing and being sued, defending and being defended, in all courts and places, and in all matters whatsoever, as natural persons; and may have and use a common seal, and break, alter and change the same at pleasure; may from time to time ordain and put in execution such by-laws, rules and regulations, for the government and conduct of its affairs, and the efficient and safe management thereof, as may be deemed expedient, proper or necessary, not inconsistent with the Constitution and laws of the United States and of this State; and said company may take,

transfer and convey such property and property interests, real, personal and mixed, legal and equitable, stock in other gas companies, buildings, machinery, patents, apparatus and other things as may be deemed to be proper or necessary to the successful prosecution of its business of making, storing, distributing and vending gas in the city of Louisville and its suburbs: *Provided, however,* That nothing in this charter shall be construed to authorize said company to dispose of its franchises or to vest the control thereof in any other person, company or corporation whatever. And said company shall have the power and authority, whenever the board of directors thereof shall consider the interest of the company requires it, to issue bonds in any amount not exceeding two hundred and fifty thousand dollars, to bear interest at any rate not exceeding six per cent. per annum, payable semi-annually; may attach to said bonds coupons for such annual or semi-annual interest, and may secure the payment of said bonds and interest by executing a mortgage upon its property or upon each part thereof as may be designated in such mortgage or mortgages: *Provided, however,* That the proceeds of the sale of said bonds shall be applied only to permanent improvements, additions or extensions upon the works of said company.

Nature of business.

§ 3. Said corporation shall have full power and authority to manufacture and vend gas to be made from any and all of the substances, or a combination thereof, from which inflammable gas is now or may hereafter be obtained.

May succeed to all rights and franchises, property, &c., of old company.

§ 4. That said corporation shall succeed to and become the owner of the property, securities and effects of the now existing Louisville Gas Company; and to enable said corporation to construct, continue and extend its gas works, and capacity to manufacture, distribute and deliver gas in the present or future limits of the

ratus, machinery, mains, service pipes, and other property now employed, or which may be employed, in manufacturing, distributing, storing and delivering gas prior to January 1st, 1889; and from and after that time may own and extend the mains, conductors, service pipes and works into and through all the streets, alleys, lanes, parks, roads and ways of said city and its suburbs, and for that purpose, and to that end, said company may open and take up the carriage-ways, sidewalks and curbing, and shall replace the same in as good condition as before, within a reasonable time and under the supervision of the city engineer, and be liable to said city and any person for any damage which may arise therefrom, and for any unreasonable delay in replacing the same. But pipes shall not be laid through fire cisterns, nor within three feet of the outer walls thereof.

§ 5. The capital stock of said company shall not exceed four millions of dollars, divided into shares of one hundred dollars each, and shall consist, first, of the stock of the now existing Louisville Gas Company, as the same was on March 1st, 1888, at its par value, for which certificates shall be issued; second, the company hereby created may sell at not less than par, and issue its stock for the purpose of making permanent improvements, additions or extensions to its works, and for no other purpose, to the extent of the capital stock hereby authorized; but no sale of such stock shall be made except at public auction, nor until the same shall have been advertised in one of the daily newspapers of the city of Louisville for at least thirty days prior to the time of such sale. Should such stock be sold above its par value, the excess shall not be capitalized or divided among the stockholders, but be employed in the first extensions made by the company hereby created after the sale

vidual, company or corporation, other than the city of Louisville, shall own or hold more, the excess over one thousand shares so held shall be forfeited to the State of Kentucky: *Provided, however,* That any one acquiring shares in excess of one thousand by operation of law or devise may have a reasonable time within which to dispose of the excess. The stock of said company shall be personal estate, and shall be transferable on the books of the company in such a manner as may be prescribed by the by-laws; but for debts and demands owing or contracted by any stockholder to the company for stock or otherwise, said corporation shall have a lien on the stock. The stockholders shall be entitled to one vote for each share of stock owned and held by them.

Statement of
condition when
and how to be
made.

§ 8. The said corporation shall, on the second Monday in January and July of each year, make a complete statement of its condition as of the thirty-first day of December, and the thirtieth day of June respectively, immediately preceding, which shall be so kept and preserved in the office of the company as to be accessible to the stockholders at all reasonable business hours; and said company shall furnish to the general council of the city of Louisville, on the thirty-first day of December of each year, an annual report of its operation and condition, in full and complete details; and said annual report shall show the net profits, and the per cent. thereof on the capital stock for the current year; and the correctness of said report shall be sworn to by the secretary of said company. Said annual reports shall be published in the annual reports of the city of Louisville. For failure to furnish as aforesaid any one of said annual reports, said company shall forfeit to said city, and lose the right to make any charge against said city

may designate, declare and make dividends of such portions of the profits earned by the company as they may deem advisable: *Provided, however,* That neither the profits nor the dividends shall exceed eight per cent. per annum upon the capital stock.

§ 7. The stockholders of the corporation other than the city of Louisville shall elect five directors of the company, and the general council of the city of Louisville shall elect four others, and the nine directors so chosen shall constitute a board of directors of said company, and they shall choose one of their number to be president of the board; and said board of directors shall be intrusted with the real and personal and other estate and property interest of said company, and with the administration, conduct and management of all its affairs. Each director must be a stockholder in his own right of at least ten shares of the capital stock of said company for at least thirty days prior to the time of his election, but no director elected to represent the city of Louisville shall own more than one hundred shares of the capital stock. The election of directors of said company, to be chosen by the stockholders thereof, other than the city of Louisville, shall be held annually on the first Monday in July, during the continuance of this charter, of which election ten days' notice shall be given in one or more of the newspapers published in Louisville, Kentucky; and the general council of said city shall, at its first regular meeting after the first Monday in July of each year during the continuance of this charter, elect the said four directors to serve in said company on the part of said city. All of said directors shall serve for one year, and until their successors are duly chosen and qualified, and shall be *bona fide* residents of Louisville at the time of their election. Death, ceas-

Board of directors
are how consti-
tuted and duties.

shall create a vacancy in the board of directors, shall, in case such a vacancy occurs amongst the number of directors chosen by the stockholders other than the city of Louisville, be filled by the remaining directors of that class, and in case the vacancy occurs amongst the number of directors chosen by said general council, it shall be filled by that body: *Provided*, That the board of directors of the now existing Louisville Gas Company, who shall be in office at the time the charter of said company expires, shall be, and they are hereby, empowered to act as the board of directors of the corporation to which this charter is granted, until the first regular election herein provided for; a list of stockholders, eligible to be chosen as directors, shall be transmitted by the company to the general council twenty days before the time of the election of city directors of said company. If, for any cause an election of directors of said company shall not be held at the time appointed by this act, at such elections, it shall be lawful to hold such elections within the ninety days succeeding. But ten days notice must be given by the company of the time of the election of the directors, who are to be elected by the stockholders, and by the mayor for the election by the council of the city directors. Such notice is to be given by at least five insertions in some daily newspaper published in the city of Louisville.

§ 8. Said corporation shall have full power and authority to employ such agents and servants as the business of the company may require, and to contract with them for their services; and to require of them such bonds and security for the faithful performance of the duties and business which may be assigned to them, from time to time, as may be deemed necessary and proper

Agents and
servants.

petent gas capital, who shall own no stock, and not be interested, directly or indirectly, in said company, as the city gas inspector, to serve until the beginning of the next succeeding mayoralty term, unless removed from office as hereinafter provided. Before entering into office said city gas inspector shall give bond in the sum of five thousand dollars for the faithful performance of his duties, on which any one injured by the official act of said inspector may recover. Said inspector shall have his office in the city hall of said city, accessible to gas consumers and citizens, and shall be paid by said city a salary of three thousand dollars per annum, payable as provided by salary ordinance in like manner with the salaries of other officers and employes of said city. The office hours of said inspector shall be from 9 A. M. to 3 P. M. It shall be the duty of said inspector to examine into any alleged errors in the gas bills of consumers, private or public, when called upon by the consumer to do so, and to correct the same when erroneous; to examine into the monthly gas bills rendered against said city, and correct the same; to make daily tests of the gas furnished by said company as to candle power and quality: to serve on said company written notice of any defect or failure in the power or quality of the gas, as provided by this charter, on each day on which said tests shall show such defect or failure; to make a certified report of, such defect or failure, the duration thereof, and such damages as may have been sustained according to the rate per diem as hereinafter fixed, with a certificate that written notices as required were served on said company, to the general council of said city, within thirty days after the beginning of such defect or failure, and from time to time thereafter in the event such defect or failure shall occur.

and extinguished; to report to said company any failure or neglect to light or extinguish the lamps in accordance therewith, or to clean, repair or replace in order said lamps, and to see that any such neglect or failure is remedied. It shall be the duty of said inspector to examine into the annual reports furnished by said company to said general council, and to report to the mayor if the same are unsatisfactory. It is further provided that said inspector shall have general supervision over all the meters of said company and the connecting pipes of the public lamps, and shall examine and seal said meters before they are put in use, and condemn or reject said pipes if insufficient to supply the gas required by a five-foot burner. Said inspector is hereby given the authority and power to do all such acts, and have all such access to the property of said company as may be necessary for the faithful discharge of the duties herein imposed upon him. For any failure or neglect on the part of said inspector to perform faithfully the duties of his office, he may be removed by the mayor of said city with the approval of the general council. Said company shall furnish to all consumers, private and public, gas of an illuminating power of not less than sixteen candles, English sperm, and of the best quality of said power, the same to be tested by the city gas inspector; and said company shall fully and completely permit said city gas inspector to test and inspect the gas, gas-meters and pressure at any and all times, and for any defect in the power or quality of the gas furnished consumers below or inferior to the standard of power or quality prescribed herein, or any failure of said company to furnish gas of said standard for five consecutive days, then said company shall immediately

said city gas inspector of such defect or failure on each day on which complaint shall be made: *Provided, however,* That if said defect or failure be the result of unavoidable accident or casualty, said company shall not be liable or make any such payment if it shall repair such injury or accident with reasonable dispatch. And upon such defect or failure as to the standard of power or quality of gas furnished to consumers, private or public, then, upon the certified report thereof to the general council of said city by the city gas inspector, a sufficient amount to compensate therefor as damages, in accordance with the rate per diem, as herein fixed, shall be withheld by said city from any bill or claim which said company may then have against said city; but if such amount is not so withheld, the liability of said company shall continue: *Provided, however,* That before the said inspector shall correct any bill of a private consumer or of the city, he shall make inquiry of the treasurer of said company in reference to any error alleged to be therein, and if satisfied that there is an error, he shall give a certificate over his signature of the correction of such bill, and such certificate, as well as the reports of said inspector, provided for above in reference to the candle power and quality of gas, shall be *prima facie* evidence of the facts contained therein.

§ 10. Said company shall have the exclusive privilege of erecting, maintaining and operating gas works in the city of Louisville for the manufacture and sale of gas for illuminating and heating purposes during the continuance of this charter; reserving, however, to any person the right to erect gas works on his own premises for supplying said premises with gas for his own use: *Provided,* That this section shall not be held to exclude the introduction and sale of natural

Exclusive privilege

Lamp-posts.

§ 11. Said company shall put lamp-posts along streets as the gas mains are extended, at a distance about two hundred feet, or as near that distance the dimension of the squares will admit; and where there are mains on both sides of the streets, the lamps shall be located so as to alternate, preserving the distance of about two hundred feet between the lamps on each side of the street; shall furnish gas for the lamps at the rate of at least five cubic feet per hour for each burner, and light and extinguish the lamps at the time of lighting and extinguishing the lamps to be fixed annually in January, by schedule by the gas inspector on the basis of four thousand hours burning per annum; and keep the lamps clean, in order and repair, and the charge to the city therefor shall be twenty dollars per annum for each lamp now or hereafter erected.

Private consumers.

§ 12. The said company shall furnish illuminating gas to private consumers who may apply therefor under reasonable rules and regulations to be prescribed by the company, at a price not to exceed one dollar and thirty-five cents per one thousand cubic feet, less a discount of five cents per one thousand cubic feet to all persons (including the city except as to street lamps) paying their bills within five days after same are due; and shall furnish non-illuminating fuel or heating gas to private consumers who may apply therefor, under reasonable rules and regulations to be prescribed by the company, at a price not to exceed fifty cents per thousand cubic feet; and the charge for gas to private consumers shall be so graduated as that said company's profits shall not exceed eight per cent. per annum on the par value of the capital stock issued. The board of directors of said company

ness of said company shall be open to the inspection of the mayor, or a committee of the general council, at any time during the business hours of the day, in the presence of one of the officers of the company; and such committee or mayor, before entering upon their work, may select to assist or represent them a disinterested expert accountant, who shall have the rights and privileges of the committee in such inspection: *Provided*, That the prices fixed by this section and section 11, shall only apply for the years 1889 to 1893, both years inclusive, and that during the year 1893, and prior to October 1, the price of gas to the city per lamp-post, and to the private consumer per one thousand cubic feet, shall be fixed by a board of arbitration, composed of three civil engineers, one to be selected by the mayor, with the approval of the general council of the city of Louisville, one by the directors of this company, and the other by the two so chosen; or in the event of their disagreement, by the chancellor of the Louisville chancery court. No one of said arbitrators shall be a stockholder in said company, and the third arbitrator shall not be a resident or tax-payer of Jefferson county. Said board of arbitration shall have full access to all the books of the company. A majority shall decide all questions. The said board shall make a report in writing to said general council and said company, and the prices so fixed shall be conclusive and binding for the years 1894 to 1898, both inclusive. And the same proceeding shall be had in the years 1898, 1903, 1908, and 1913, before October first of each of said years, to fix the prices for the several periods of five years next succeeding: *Provided*, That if such price is not so fixed prior to October aforesaid, it shall

thousand cubic feet for private consumers, it shall be the duty of the board to fix the same so as to yield a profit of eight per cent. per annum on the par value of the capital stock: *Provided*, The price of gas for private consumers (including the city, except as to street lamps) shall never exceed the maximum rate fixed herein for the first five years, nor more than will yield the company the eight per cent. profits hereinbefore stated.

Extension of service.

§ 13. The company shall, until its capital stock is exhausted, extend its mains beyond the point of present extension, upon the request of the general council of the city of Louisville, or of the residents upon the streets to which such extension is desired, when the profits on the gas furnished for the public and private lights arising from such extension will yield six per cent. on the cost thereof, or when the company shall be guaranteed that profit on the cost of such extensions by the residents upon the streets so supplied with gas.

Mode of taxation

§ 14. That the shares of stock of this company, its surplus, undivided surplus, undivided profits, or undivided accumulations, shall be taxed by the Commonwealth under and in accordance with the provisions of section one (1), article two (2), of an act approved May 17, 1886, entitled "An act to amend the revenue laws of the Commonwealth of Kentucky," and the acceptance of, and organization under this charter, and notice thereof in writing delivered to the Governor of this Commonwealth, within ninety days after such acceptance and organization, under the seal of the corporation, shall entitle the said company, and the holders or owners of its stock, to all the benefits of the provisions of section four (4) of said article and chapter.

make correct entries, or shall knowingly make false entries on the books of the company, with intent to cheat or defraud the corporation or any person, or to hide or conceal any improper appropriation of the funds of the company, every such officer, agent, servant, or employe so offending shall be deemed guilty of a felony, and, upon conviction thereof, shall be sentenced to confinement in the penitentiary of this State for a period of not less than one nor more than ten years, at the discretion of the jury.

§ 16. If any person or persons shall wrongfully, by any means whatever, injure or destroy any part of the gas pipes or conductors, lamp-posts, burners, or any of the works, fixtures, or machinery of said company, all such persons, besides being liable to said company for the damage it has sustained thereby, shall be liable to indictment, and, upon conviction of such offense, shall be fined, at the discretion of the jury, in any sum not exceeding one hundred dollars, or by imprisonment in the city work-house of Louisville at hard labor for a term not exceeding one year; but this section shall not be held to change the law as to arson or willfully burning the houses of the corporation; and all indictments for offenses under this act shall be presented within two years after the discovery of the offense aforesaid, and not afterward.

§ 17. That the stock and other securities of the now existing Louisville Gas Company, now held by said company as trustee for the city of Louisville, and all other stock and interest of said city in said company, shall be held by the company hereby incorporated as trustee for said city, and it shall, out of the profits and dividends of said trust funds and other stock and interest of said city, held by it as trustee as aforesaid, so far as the same will do so, or may be necessary, pay for the public lights furnished to said city by this

of Louisville, and held as a trust fund for the purposes aforesaid during the existence of this company. *Provided, however,* That this company may sell or dispose of such part and so much of said trust fund other than stock of said company, as was accumulated under the now existing Louisville Gas Company, as may be necessary to pay off any and all unpaid bills owing to said company by said city; and should the profits and dividends of the stock and funds which shall come to the hands of the corporation hereafter created, as trustee, prove insufficient to pay for the public lights furnished by it to said city, notice in writing, of such fact shall be given to the general council of the city of Louisville, and said general council shall thereupon levy and cause to be collected a tax sufficient to pay the deficiency or deficiency with interest.

Furnishing to other towns and cities.

§ 18. Said company, and the municipal authorities of any of the towns and villages of Jefferson county, Kentucky, may enter into contracts for supplying said towns and villages and the citizens thereof with gas, upon such terms as the respective parties may agree upon; and said municipal authorities of said towns and villages may give said company the right and authority to lay its mains and service pipes under the streets, lanes, alleys, parks, and other public places of said towns and villages in such manner and upon such terms as may be agreed upon by the contracting parties. And said company shall have the right to acquire, hold, use and dispose of all real and personal property, and may erect all buildings and machinery which may be deemed necessary or proper or fit, to enable it to manufacture and distribute gas to the said towns and villages.

said company may extend its main pipes from the city of Louisville into said towns and villages.

§ 19. The city of Louisville, if it so elect, may purchase the entire gas works property and effects of the said company, at the termination of this charter, at the fair value thereof at that time: *Provided*, That said city shall notify the company of such election on her part at least one year before the termination of said charter. The value of said gas works property and effects shall be ascertained by two competent civil engineers, selected, one by the city of Louisville and the other by the said corporation; and to provide against a possible disagreement between the said valuers, they shall, before entering upon the discharge of their duties as such, choose an umpire, who shall determine any differences which may arise between said valuers in the valuation of said works, property and effects, and the determination of said valuers and said umpire shall be binding and final. The proceeds of said works, property, and effects shall be divided *pro rata* among the stockholders, including the city of Louisville.

Right of city to purchase.

§ 20. This charter shall not be altered, amended or repealed without the concurrence of the general council of the city of Louisville and the board of directors of the Louisville Gas Company: *Provided*, That this section shall not apply to section 14 of this act: *And provided*, That a violation of any of the essential provisions of this charter shall cause a forfeiture thereof.

Amendment to charter.

§ 21. This act shall take effect from its passage.

Approved March 15, 1888.

Articles of Incorporation
of
Summit
Max Co

Increasing its Capital Stock from
\$ _____ to \$ _____

Organization Tax on Increase \$ _____

Filed and Certificate Issued *27th* day
July 19*47*

Recording Fee \$ *3.00* paid.

O. FRECHERMAN
Sec'y of State

By *E. Magoffin*
CHIEF CLERK CORPORATION DEPT.

Recorded in Corporation
47 Page *27*

Recorded *J. J. Byrd* Indexed *J. J. B.*

32196

AMENDMENT OF ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS COMPANY .

We, the undersigned, being a majority of the directors of the Louisville Gas Company, a corporation duly organized and existing under and by virtue of an Act of the General Assembly of the Commonwealth of Kentucky, entitled, "An Act to incorporate the new existing Louisville Gas Company and to grant it a new charter," approved March 16, 1898, and the acts amendatory thereof and supplemental thereto, hereby certify:

That said Louisville Gas Company has previously, by resolution adopted by its Board of Directors and filed in the office of the Secretary of State of the Commonwealth of Kentucky, accepted the provisions of the Constitution of said Commonwealth

That the undersigned have adopted, and the owners of more than two-thirds of the capital stock of said Louisville Gas Company have consented in writing, to the following amendments of its charter:

Section 2 of said Act approved March 16, 1898, is hereby amended so as to read as follows:

Section 2. That said company is hereby declared to be a body corporate and politic, with perpetual succession, by the name of 'The Louisville Gas Company;' and by that name said corporation, its assigns and successors, shall be capable in law of contracting and being contracted with, suing and being sued, defending and being defended in all courts and places and in all matters whatsoever as natural persons; and may have and use a common seal, and break, alter and change the same at pleasure; and from time to time ordain and put in execution such by-laws, rules and regulations for the government and conduct of its affairs,

and the efficient and safe management thereof, as may be deemed expedient, proper or necessary, not inconsistent with the Constitution and Laws of the United States and of this State; and said Company may take, purchase, hold, enjoy, mortgage, sell lease, assign, transfer and convey such property and property interests, real, personal and mixed, legal and equitable, stock in other Gas Companies, buildings, machinery, patents, apparatus and other things as may be deemed to be proper or necessary to the successful prosecution of its business of making, storing, distributing and vending gas in the City of Louisville and its suburbs: Provided, however, That nothing in this charter shall be construed to authorize said company to dispose of its franchises or to vest the control thereof in any other person, company or corporation whatever. And said company shall have the power and authority, whenever the Board of Directors thereof shall consider the interest of the Company requires it, to issue bonds in any amount, bearing interest at any rate not exceeding six per cent per annum as determined by the Board of Directors of the Company, may attach to said bonds, coupons to evidence the interest thereon, and may secure the payment of said bonds and interest by executing a mortgage or deed of trust upon its property or upon such part thereof as may be designated in such mortgage or deed of trust".

Section 5 of said Act is hereby amended so as to read as follows:

"Section 5. The capital stock of said company shall not exceed Four Million Dollars (\$4,000,000), divided into shares of One Hundred Dollars (\$100) each. The stock of said Company shall be personal estate and shall be transferrable on the books of the Company in such manner as may be prescribed by the by-laws, but for debts or demands owing or contracted by any stockholder to

the Company for stock or otherwise, said corporation shall have a
 lien on the stock. The stockholders shall be entitled to one vote
 for each share of stock owned or held by them."

Section 7 of said Act is hereby amended so as to read as
 follows:

" Section 7. The affairs of the corporation are to be
 conducted by a President, one or more Vice-presidents, a Secretary,
 one or more Assistant Secretaries, a Treasurer, and one or more
 Assistant Treasurers, and a Board of nine (9) Directors.
 The said officers shall be elected by the Board of Directors at
 an annual meeting of the Board to be held on the first Monday in
 July in each year, at the office of the Company in Louisville,
 Kentucky, and shall continue in office for one year or until they
 resign or are removed by a majority of the Board of Directors.
 Any individual may hold as many of said offices as the Board of
 Directors shall deem fit. The Board of Directors shall be elected
 at an annual meeting of the stockholders of said Company held on
 the first Monday in July in each year at the office of the
 Company in Louisville, Kentucky, and said Board of Directors shall
 be entrusted with the real, personal and other estate and property
 interests of said Company, and with the administration, conduct and
 management of all its affairs."

" The said Charter or Articles of Incorporation of said
 Company are hereby changed and amended by striking out Section 7
 of the aforesaid Act, approved March 16, 1888, and Sections 3 and
 7 of an Act entitled "An Act to amend an Act", entitled "An Act

to incorporate the now existing Louisville Gas Company and to grant it a new Charter "approved March 16, 1888, and grant said Company the right to manufacture, distribute and sell electricity," approved May 3, 1890.

IN WITNESS WHEREOF, we have signed this amendment this 27th day of July, 1912.

W. J. Stram
George Alexander
Henry Alvested
D. Murphy
H. Wharden
Frank A. Sefer
J. B. Brown
Chas. H. Dennis

Majority of the Board of
Directors of The Louisville
Gas Company.

STATE OF KENTUCKY

JEFFERSON COUNTY

This day personally appeared before me, a Notary Public in and for said County and State, Messrs W. J. Abram, Hugh Alexander, Henry Alstedt, D. X. Murphy, J. H. Whallen, Frank A. Geher, J. B. Brown and Geo. H. Harries and acknowledged the foregoing instrument of writing as the act and deed of the Louisville Gas Company, as Directors of said Company.

Given under my hand this 27th day of July, 1912.

My commission expires January 31, 1914.

J. B. Wilson
Notary Public, Jefferson County, Kentucky.

STATE OF KENTUCKY

JEFFERSON COUNTY

The affiant, F. A. Nobbe, states that he is Secretary of the Louisville Gas Company and that the above named persons, who have acknowledged the foregoing instrument as Directors of said Company, are more than a majority of said Directors, and that there is on file in his office the written consent of the owners of more than two thirds of the capital stock of the Louisville Gas Company to the foregoing instrument.

Witness the hand of said affiant this 27th day of July, 1912.

F. A. Nobbe
Subscribed and sworn to before me by F. A. Nobbe this 27th day of July, 1912. My commission expires January 31, 1914.

J. B. Wilson
Notary Public, Jefferson County, Kentucky.

32196

Office copy

ARTICLES *of* AGREEMENT
and CONSOLIDATION

BETWEEN

LOUISVILLE LIGHTING COMPANY

LOUISVILLE GAS COMPANY

AND

KENTUCKY HEATING COMPANY

7/2/1913

12

Articles of Agreement and Consolidation made and en-

tered into this *second* day of *July*, 1913, by and between **LOUISVILLE LIGHTING COMPANY**, a corporation incorporated under and in pursuance of the laws of the State of Kentucky, and

*Geo. H. Harries,
M. L. Akers, D. K. Murphy,
John Blite, Walter S. Clark,
H. R. Frost, H. W. Fuller,
J. B. Brown and H. L.
Harries*

who constitute more than a majority of its directors, parties of the first part, and **LOUISVILLE GAS COMPANY**, a corporation incorporated under and in pursuance of the laws of the State of Kentucky, and

*H. M. Byllaby,
J. J. O'Brien, Otto E. Orthoff,
Frederic W. Stearns, Geo. H.
Harries, J. B. Brown, N. J.
Abram, and H. W. Fuller,*

who constitute more than a majority of its directors, parties of the second part, and **KENTUCKY HEATING COMPANY**, a corporation incorporated under and in pursuance of the laws of the State of Kentucky, and

*Samuel McDonald, Robt. M.
Grumble, Matt. O. Doherty, H. D.
Rodman, Daniel E. Doherty,*

LOUISVILLE GAS AND ELECTRIC COMPANY.

Second. The place where the principal office or place of business of the corporation shall be is the City of Louisville, County of Jefferson, State of Kentucky.

Third. The nature of the business and the objects and purposes proposed to be transacted, promoted and carried on by the corporation are to do within or without the State of Kentucky any and all of the things herein mentioned and set forth, as fully and to the same extent, to all intents and purposes, as natural persons might or could do, viz:

1. To manufacture, generate, buy, sell, accumulate, store, transmit, furnish and distribute electrical energy for light, heat, power and other purposes.

2. To construct, manufacture, buy, sell, mortgage, lease, let and operate power plants, generating stations and any and all machinery and appliances for the manufacture, generation, storage, accumulation, transmission, distribution and use of electrical energy and any and all manner of electrical machinery, apparatus and supplies of any nature and kind whatsoever.

3. To carry on a general business of electricians, mechanical engineers and suppliers of electricity for the purpose of light, heat and power or otherwise, and to install, erect and maintain and operate, sell or lease wires, cables and fixtures, both interior and exterior for the transmission and use of electrical energy and to manufacture and deal in all apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.

4. To buy, sell, mortgage, operate and lease pole lines, erect poles, string wires thereon and on poles of individuals and corporations, on any and all streets, avenues, highways and roads of counties, townships, villages and cities and over

9. To construct and purchase or in any manner acquire, maintain and operate, and to sell, mortgage, or in any manner dispose of plants and works for the manufacture, distribution and transportation of natural and artificial gas.

10. To manufacture, buy, sell, mortgage, rent and deal in stoves, engines, motors, lamps and other apparatus, appliances and conveniences which may seem calculated, directly or indirectly, to promote the consumption of natural and artificial gas, petroleum, petroleum products and by-products.

11. To manufacture, buy, sell and deal in ice; to carry on and conduct the business of storage, cold-storage, refrigeration or freezing and to construct, purchase, acquire, equip, own, operate, maintain, sell, mortgage and lease stores, buildings, warehouses, plants, machines and apparatus for said purposes.

12. To manufacture, produce and supply in any manner cold air, refrigeration and freezing compounds in any form for use, distribution and application for any and all purposes.

13. To acquire, own, construct, operate, lease, sell and encumber houses, buildings, pipes, mains, fixtures, easements, franchises, ordinances and all other necessary or convenient things to enable it to furnish steam for power and heating purposes, and generally to carry on a business of generating, conveying and furnishing steam for power and heat to the general public.

14. To construct, acquire, own, operate, sell, mortgage and lease hydro-electric power plants together with everything whatsoever pertaining thereto.

15. To purchase, appropriate, acquire, hold, lease, encumber, control and to sell, mortgage, lease and dispose of water, water rights, power privileges and appropriations for mining, milling, agriculture, domestic power and other uses and purposes, and more particularly for use in connection with the

poration as and when and upon such terms and conditions as the Board of Directors shall determine.

20. To acquire the good-will, rights and properties of any person or persons, firm, corporation or association, and to pay for the same in cash, stock, bonds or otherwise.

21. To acquire, hold, use, sell, assign, lease and grant licenses in respect of, mortgage or otherwise dispose of, letters patent of the United States or any foreign country, patent, patent rights, licenses and privileges, inventions, improvements and processes, trade-marks and trade names, relating to or useful in connection with any business of this corporation.

22. To, in any manner, aid, facilitate and assist in the construction, building, extension, improvement, equipment, maintenance, and operation of any electric light plant, artificial or natural gas plant, hydro-electric plant, gas pipe line, and for that purpose, or in any manner whatsoever, to use the capital stock and bonds of this corporation or either of them or any part thereof. To aid, in any manner, any corporation or association, of which any bonds, evidences of indebtedness, stock or other securities, are held by the corporation, and to do any other acts or things designed to protect, preserve, improve or enhance the value of such bonds, or evidences of indebtedness or other securities or stock.

23. In general, to carry on any other business in connection with the foregoing, whether manufacturing or otherwise, and to have and to exercise all the powers conferred by the laws of Kentucky. It is the intention that the objects specified in this Third Clause shall, except where otherwise expressed in said clause, be in no wise limited or restricted by reference to or inference from the terms of any other clause in this charter, but that the several objects specified in this clause shall be regarded as independent objects, nor shall anything

ness as soon as authorized as provided by law and shall continue for a period of nine hundred ninety-nine (999) years.

Seventh. The affairs of the consolidated corporation shall be conducted by a Board of Directors, fourteen in number, and by a president, one or more vice-presidents, a secretary, one or more assistant secretaries, a treasurer, one or more assistant treasurers, and such other officers as may be prescribed by the by-laws. The terms of all the officers of the company may likewise be fixed by the by-laws. The directors herein named, as well as those hereafter chosen, shall serve until their successors are elected and qualify. Beginning with the year 1914 there shall be an annual meeting of the stockholders of the corporation held at the office of the company in the City of Louisville, Kentucky, on the second Monday in September of each year, for the election of directors and the transaction of such other business as may be properly brought before it. At any annual meeting the stockholders may, by vote of the holders of two-thirds of the outstanding capital stock, reduce the number of directors to any number not less than nine. The board of directors, as soon as practicable after their election each year, shall elect from among their number a president, and shall also elect one or more vice-presidents, a secretary and one or more assistant secretaries, a treasurer and one or more assistant treasurers. None of these officers, except the president, need be a member of the Board of Directors, and one person may hold any two or more offices.

Eighth. The highest amount of indebtedness or liability which the consolidated corporation may at any time incur, is Twenty five Million Dollars (\$25,000,000).

Ninth. The private property of the stockholders of such consolidated corporation shall not be subject to the payment of corporate debts.

Tenth. The capital stock of the corporations hereby con-

value of One Hundred Dollars (\$100) each, shall be convertible into thirty-six thousand sixty-seven (36,067) shares of the par value of One Hundred Dollars (\$100) each of the capital stock of the consolidated corporation, which shall be divided among the owners of the stock of said Kentucky Heating Company in proportion to their respective holdings, but so as to avoid fractional shares.

IN WITNESS WHEREOF, the Louisville Lighting Company, the Louisville Gas Company and the Kentucky Heating Company have caused their names to be hereunto subscribed and their corporate seals to be hereunto affixed by their duly authorized officers, and more than a majority of the members of the Board of Directors of each of said corporations have also hereunto set their hands the day and year first above written.

LOUISVILLE LIGHTING COMPANY,

By *E. H. Williams*,
President.

Attest:

M. W. Bradford
Secretary.

Directors of Louisville
Lighting Company.

W. H. Williams
W. H. Williams
John S. Hester
Walter S. Clark
A. C. Smith
W. H. Miller
B. Brown
H. H. Haines

STATE OF KENTUCKY, }
COUNTY OF JEFFERSON. } ss.

This day personally appeared before me, a Notary Public within and for the County and State aforesaid, Geo. H. Harries, President of the Louisville Lighting Company, a corporation organized, incorporated and existing under and by virtue of the laws of the State of Kentucky, and R. J. Sraf, Secretary of said corporation, who are personally known to me to be such officers, respectively, and who are personally known to me to be the same persons who executed as such officers, the foregoing instrument of writing, and such persons duly acknowledged the execution of the foregoing instrument of writing to be the act and deed of said corporation, and the said R. J. Sraf stated that he had affixed the seal of said corporation to the foregoing instrument of writing; and also personally appeared at the same time, Geo. H.

Harries, M. L. Akers, D. H. Murphy, John Eiler, Walter S. Clark, W. R. Frost, H. W. Fuller, J. B. Brown and H. L. Harries,

Directors of said corporation, constituting more than a majority of the Directors of said corporation, and personally known to me to be such Directors and to constitute more than a majority of the Directors of said corporation, and personally known to me to be the same persons who signed the foregoing instrument of writing as such Directors, and they acknowledged the foregoing instrument of writing to be their act and deed, and the act and deed of said corporation; all of which is certified to the proper office for record.

Given under my hand and Notarial Seal, this 7th
day of July, 1913. *(My commission expires February 16, 1916)*
Oliver S. Ballou
Notary Public,
Jefferson County, Kentucky.

My ~~commission~~ expires _____

STATE OF KENTUCKY, }
 COUNTY OF JEFFERSON. } ss.

This day personally appeared before me, a Notary Public within and for the County and State aforesaid, Geo. H.

Harries, President of the Louisville Gas Company, a corporation organized, incorporated and existing under and by virtue of the laws of the State of Kentucky, and

R. J. Graf, Secretary of said corporation, who are personally known to me to be such officers, respectively, and who are personally known to me to be the same persons who executed as such officers, the foregoing instrument of writing, and such persons duly acknowledged the execution of the foregoing instrument of writing to be the act and deed of said corporation, and the said R. J. Graf

Graf stated that he had affixed the seal of said corporation to the foregoing instrument of writing; and also personally appeared at the same time, H. W. Byllesby,

J. J. O'Brien, Otto E. Ostloff,
Fred. W. Stearns, Geo. H.
Harries, J. B. Brown,
W. J. Abriem and H. W.
Fuller,

Directors of said corporation, constituting more than a ma-

STATE OF KENTUCKY, }
JEFFERSON COUNTY. } ss.

The affiant, R. J. Graf, states that he is secretary of the Louisville Gas Company, a corporation organized, incorporated and existing under and by virtue of the laws of the State of Kentucky; that the above named persons who have acknowledged the foregoing instrument of writing as president and secretary of said corporation, are such president and secretary; that the persons above named who have signed and acknowledged the foregoing instrument in writing as directors of said corporation, are more than a majority of the directors of said corporation; that written notice of the intention to consolidate said corporation has been duly mailed to the address of each stockholder of said corporation at least twenty days previous to the entering into the foregoing agreement, and such notice has been duly published at least two weeks in a newspaper printed and circulated in Jefferson County, Kentucky, being the county of the principal place of business of said corporation; and that there is on file in his office, the written consent of the owners of at least two-thirds of the capital stock of said corporation to the foregoing instrument.

Witness the hand of said affiant this July 21st, 1913.

R. J. Graf

Subscribed and sworn to before me by R. J. Graf
this July 21st, 1913. My commission expires

February 10, 1914

Walter O. Walker

Notary Public,
Jefferson County, Kentucky.

majority of the Directors of said corporation, and personally known to me to be such Directors and to constitute more than a majority of the Directors of said corporation, and personally known to me to be the same persons who signed the foregoing instrument of writing as such Directors, and they acknowledged the foregoing instrument of writing to be their act and deed, and the act and deed of said corporation; all of which is certified to the proper office for record.

Gives under my hand and Notarial Seal, this *21st* day of July, 1913. *My commission expires February 11, 1916*

L. L. ...
Notary Public,
Jefferson County, Kentucky.

My commission expires

I, P. S. RAY, Clerk of the County Court of Jefferson County, Kentucky, do certify that on this 2nd day of July 1855 at 1 o'clock P. M. the following Articles of Incorporation were produced to ME IN MY OFFICE and by me recorded them, this, and the foregoing CERTIFICATE in my said Office.

Witness my hand this 2 day of July 1855

P. S. Ray
Clerk

By Beechey
F. J. Beechey

Book 21

Box 245

Louisville

Jefferson

County.

Amended Articles of Incorporation

OF
Louisville Gas & Electric
Company

A certificate filed herewith

Increasing its Capital Stock from

\$11,000,000⁰⁰ to \$16,000,000⁰⁰

Organization Tax on Increase \$ 25,000⁰⁰

Filed and Certificate Issued 7th day of
November, 1919

Recording Fee \$ 2.00 paid

JAMES P. LEWIS,

Sec'y of State.

By M. Lockett

CHIEF CLERK CORPORATION DEPT.

Recorded in Corporation

Book No. 71 Page 338

Recorded J. E. D. Compared W. E. G.

Indexed _____

COMMONWEALTH OF KENTUCKY



OFFICE OF Secretary of State

JAMES P. LEWIS, SECRETARY
CORPORATION DEPARTMENT.

The LOUISVILLE GAS AND HEATING COMPANY, a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having this day filed in the office of the Secretary of State of the State of Kentucky, a certified copy of the amended Articles of Incorporation, increasing the capital stock from Eleven Million Dollars (\$11,000,000) to Thirty-Six Million Dollars (\$36,000,000).

DUPLICATE

This certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.

Witness my official signature this 9th day of November 1913



By _____ Secretary of State
_____ Chief Clerk

AMENDMENT TO ARTICLES OF INCORPORATION

OF

LOUISVILLE GAS AND ELECTRIC COMPANY

THESE AMENDED ARTICLES OF INCORPORATION OF THE LOUISVILLE GAS AND ELECTRIC COMPANY, WITNESSETH:-

That, pursuant to a resolution passed by a vote of more than two-thirds of the stockholders of the Louisville Gas and Electric Company, at a meeting duly held at the office of the Company, in the City of Louisville, Kentucky, October 10, , 1919, and also pursuant to the written consent of the holders of more than two-thirds in amount of the capital stock of the Company, Article Four of the Articles of Consolidation, incorporating this Company, bearing date July second, 1913, recorded in Corporation Book 22, page 188, Jefferson County Court Clerk's Office, is hereby amended to read as follows:-

"FOURTH: The amount of the authorized capital stock of such consolidated corporation shall be Thirty-Six Million Dollars (\$36,000,000), divided into Three Hundred Sixty Thousand (360,000) shares of the par value of One Hundred Dollars (\$100) each, of which stock Eleven Million Dollars (\$11,000,000) par value, consisting of One Hundred Ten Thousand (110,000) shares, of the par value of One Hundred Dollars (\$100) each, shall be common stock, and Twenty-five Million Dollars (\$25,000,000) par value, consisting of Two Hundred Fifty Thousand (250,000) shares, of the par value of One Hundred Dollars (\$100) each, shall be preferred stock.

"The holders of the preferred stock shall be entitled to receive, when and as declared, from the surplus or net profits of the corporation, dividends at the rate of seven per centum (7%) per annum and no more, payable quarterly on dates to be fixed by the by-laws, before any dividends shall be set apart or paid on the common stock. The dividends upon the preferred

stock shall be cumulative from and after the date of issue, so that if in or for any year dividends amounting to seven per centum (7%) shall not be paid on the preferred stock, the deficiency shall be charged upon the net earnings of the corporation and be payable subsequently before any dividend shall be set apart or paid upon the common stock. Accumulations of dividends upon preferred stock shall not bear interest.

"Whenever all cumulative dividends on the preferred stock for all previous years, and the accrued installments for the current year shall have been paid or set apart, dividends may be declared upon the common stock payable as the Board of Directors may determine, but only out of the remaining surplus or net profits of the Company. The rate of dividend to which the preferred stock shall be entitled shall be limited to and never exceed seven per centum (7%) per annum and the holders of the common stock shall be entitled to receive all additional surplus or net profits distributed in dividends after the cumulative dividends of seven per centum (7%) per annum on the preferred stock shall have been paid or set apart.

"The preferred stock shall be subject to redemption at One Hundred Fifteen Dollars (\$115) per share and any dividends accumulated and unpaid thereon at any dividend period, and at the option of the Board of Directors any of said preferred stock then remaining in the treasury unissued may thereupon be cancelled.

u
X
"In the event that less than all of the preferred stock of the corporation shall be redeemed, the stock to be redeemed shall be fixed and determined by the Board of Directors by lot. Said stock shall be redeemed on the mailing of a notice at least sixty (60) days before the date of redemption to the stockholders in whose names the shares desired to be redeemed and cancelled shall stand upon the date of the adoption of the resolution for the redemption thereof, at their respective addresses as shown on the Books of the Company, or at their last known post-office address, and thereupon all interest of such stockholders in the corporation shall cease and they shall be entitled only to be paid upon demand on or after the date fixed for the redemption of said stock, the amount payable to be for such stock as hereinbefore provided, without interest.

"In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the corporation, the holders of the preferred stock shall be entitled to be paid in full both the par amount of their shares and all unpaid cumulative dividends thereon before any amount

shall be paid to the holders of the common stock, and after such payment in full to the holders of the preferred stock, the remaining assets and funds shall be divided between and paid to the holders of the common stock, according to their respective shares.

"Each stockholder shall at every meeting of the stockholders be entitled to one vote for each share of the capital stock of the corporation standing in his name at the time of the close of the transfer books before such meeting, or as may be otherwise provided by law, it being understood that each share of common stock shall possess the same voting power as each share of the preferred stock."

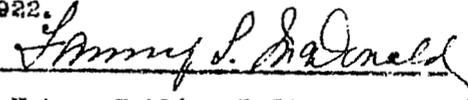
IN TESTIMONY WHEREOF, witness the signatures of the President and a majority of the Directors of said Louisville Gas and Electric Company this 10 day of October, 1919.

Arthur C. Huey President.
James H. [unclear] Director
H. O. Logan Director
N. S. [unclear] Director
Harford [unclear] Director
John H. [unclear] Director
[unclear] Director
[unclear] Director
[unclear] Director.

STATE OF KENTUCKY, }
COUNTY OF JEFFERSON. } SC.

I, Hattie S. McDonald, a Notary Public in and for the county and State aforesaid, hereby certify that on this day the foregoing Amended Articles of Incorporation of the Louisville Gas & Electric Company were produced before me and acknowledged and delivered by Arthur S. Huey to be his act and deed as President of the Louisville Gas & Electric Company, and by him as President to be the act and deed of the Louisville Gas & Electric Company, and the said Amended Articles were further acknowledged and delivered before me by Matt O'Doherty, P. S. Pogue, W. D. Rodman, Walford Erickson, John W. Reemer, Robert M. Trimble, Donald McDonald and Otto E. Ostoff to be their act and deed as Directors of the Louisville Gas & Electric Company, they being a majority of said Directors.

IN TESTIMONY OF ALL WHICH, witness my signature and official seal this 10th day of October, 1919.
My commission expires January 11, 1922.



Notary Public, Jefferson
County, Ky.

THE AFFIANT, T. B. Wilson, states that he is Secretary of the Louisville Gas and Electric Company, a corporation created and existing under the laws of this State; that Arthur S. Huey, Matt O'Doherty, P. S. Pogue, Halford Erickson, H. D. Rodman, John D. Rosmer, Robt. M. Trimble, Donald McDonald and Otto H. Osthoff, who signed the foregoing instrument, are duly elected directors of said company and constitute more than a majority thereof, there being in all fourteen (14) directors of said Company. The affiant further states that the consent in writing to the foregoing amendment to the Articles of Incorporation of the Louisville Gas and Electric Company, increasing its capital stock by twenty-five Million Dollars (\$25,000,000) of preferred stock, with preferences as in said amendment set out, was signed and executed by the owners of more than two-thirds of the capital stock of said Company, and the said writing is now on file in the office of the Company and recorded in the minutes of the stockholders' meeting in said amendment referred to.

T. B. Wilson

Subscribed and sworn to before me by T. B. Wilson,
this 10th day of October, 1919.

My commission expires January 11, 1922.

James S. Madonia
Notary Public, Jefferson Co., Ky.

FRED O. NEETS, Clerk of the County Court of Jefferson County, Ky.,
do hereby certify that on this 10th day of October, 1919, at
Louisville, Ky., the foregoing Articles of Incorporation were presented to me in my
official capacity, and I have recorded them, this, and the foregoing certificate
in my said office.

Witness my hand this 14th day of November, 1919.
Fred O. Neets Clerk

A COPY ATTEST
James S. Madonia
Notary Public

Box

245

Louisville

County.

Amended Articles of Incorporation

OF

Louisville Gas &

Electric Company

increasing its capital stock

Increasing its Capital Stock from

75,000 to \$100,000

to \$

Organization Tax on Increase \$

Filed and Certificate Issued

25th

day of

November

1922

Recording Fee \$ 2.25 paid.

FRED A. VAUGHAN,

Sec'y of State.

By W. M. Ventkoom

CHIEF CLERK CORPORATION DEPT.

Recorded in Corporation

Book No. 84

Page 561

Recorded

JW

Compared

[Signature]

Indexed

[Signature]

32196

COMMONWEALTH OF KENTUCKY



OFFICE OF Secretary of State

FRED A. VAUGHN, SECRETARY
CORPORATION DEPARTMENT.

The Walville Gas and Electric Company
a Corporation organized and existing under and by virtue of
the laws of the Commonwealth of Kentucky, having this
day filed in the office of the Secretary of State of the State of
Kentucky, a certified copy of the amended Articles of Incorporation,
to be in full of indebtedness for one hundred and
fifty million dollars.

DUPLICATE

This certificate is issued as evidence of the fact that the
said corporation has amended its charter as above set out
in the manner prescribed by law.



Witness, My official signature, this _____ day

of _____ 1922

Fred A. Vaughn
Secretary of State.

By W. M. Van Horn
Chief Clerk.

AMENDMENT

to

ARTICLES OF INCORPORATION

of

LOUISVILLE GAS AND ELECTRIC COMPANY

KNOW ALL MEN BY THESE PRESENTS: That pursuant to the consent in writing of the owners of more than two-thirds in amount of the capital stock of Louisville Gas and Electric Company, Article Eighth of the Articles of Agreement and Consolidation, dated July 2, 1913, between Louisville Lighting Company, Louisville Gas Company and Kentucky Heating Company (constituting the Articles of Incorporation of said Louisville Gas and Electric Company), recorded in Corporation Book No. 22 at page 188 in the office of the Clerk of the County Court of Jefferson County, Kentucky, is hereby amended so as to read as follows:

"Eighth: The highest amount of indebtedness or liability which the consolidated corporation may at any time incur, is One Hundred Fifty Million Dollars (\$150,000,000)."

IN TESTIMONY WHEREOF, witness the signatures of the undersigned, a majority of the directors of said Louisville Gas and Electric Company, this 7th day of November, 1922.

James A. Brown
Director

James A. Brown
Director

Rayford Ericsson
Director

William D. Huey
Director

Monte D. Kelly
Director

Donald H. Johnson
Director

C. H. Boyer
Director

H. H. Thurman
Director

Wm. W. Starnes
Director

John H. Rozmer
Director

STATE OF KENTUCKY,)
COUNTY OF JEFFERSON.) ss

I, J. A. Grotzke, a Notary Public,

in and for the County and State aforesaid, hereby certify that on this 7th day of November, 1922, the foregoing amendment to the Articles of Incorporation of the Louisville Gas and Electric Company was produced before me by the said

<u>Jno. W. Barr, Jr.</u>	<u>Donald McDonald</u>
<u>James B. Brown</u>	<u>P. S. Pogue</u>
<u>Halford Erickson</u>	<u>I. H. Thurman</u>
<u>Arthur S. Huey</u>	<u>Robt. M. Trimble</u>
<u>Matt O'Doherty</u>	<u>Jno. H. Roemer</u>

a majority of the Directors of said Louisville Gas and Electric Company, who are personally known to me, and they severally acknowledged to me that, as such directors, they signed the said amendment as their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 7th day of November, 1922.

J. A. Grotzke
Notary Public

My Commission expires:
Notary Public, Jefferson County, Ky.
My commission expires Jan'y 5, 1926

STATE OF KENTUCKY)
) ss.
COUNTY OF JEFFERSON)

F. B. WILSON, being duly sworn on oath, deposes and states that he is Secretary of Louisville Gas and Electric Company, a corporation organized and existing under and by virtue of the laws of the State of Kentucky; that _____

Jno. W. Burr, Jr. Donald McDonald
Jas. B. Brown P. S. Pogue
Halford Erickson I. H. Thurman
Arthur S. Huey Robt. M. Trimble
Matt O'Doherty John H. Roemer

who signed the foregoing instrument, are duly elected Directors of said Louisville Gas and Electric Company and constitute more than a majority thereof, there being in all fourteen directors of said Company; that the consent in writing to the foregoing amendment to the Articles of Incorporation, increasing the highest amount of indebtedness or liability which said Company may at any time incur, from Twenty-five Million Dollars (\$25,000,000) to One Hundred Fifty Million Dollars (\$150,000,000), was signed and executed by the owners of more than two-thirds of the capital stock of said Company, and that said consent in writing is now on file in the office of the Company and recorded in the minutes of the stockholders meeting held November 24, 1922.

SUBSCRIBED AND SWORN TO
before me this _____
day of November, 1922.

F. B. Wilson
Notary Public

My commission expires:
January 11, 1926

Boz. 245
Louisville

Jefferson County.

Amended Articles of Incorporation
OF
Louisville Gas & Electric Company

Increasing its Capital Stock from _____
to \$ 36,000,000 to \$ 45,000,000

Organization Tax on Increase \$ 9,000

Filed and Certificate Issued _____ day of
JUL 2 1925, 192_____

Recording Fee \$ 6.40 paid.

EMMA GUY CROMWELL
Sec'y of State.

By [Signature]
Chief Clerk Corporation Dept.

Recorded in Corporation

Book No. 96 Page 12

Recorded M. J. P. Compared H. C. A.

Indexed 76

32196

Commonwealth of Kentucky



Office of **Secretary of State**

EMMA GUY CROMWELL SECRETARY

CORPORATION DEPARTMENT

The Louisville Gas & Electric Company, Louisville, KY.

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended Articles of Incorporation, changing article 4 increasing Capital Stock

From Thirty Six million Dollars to Forty Five Million Dollars.
(~~36,000,000/00.~~) (~~45,000,000/00.~~)

Organization tax of (~~9,000/00.~~) Nine Thousand Dollars. Paid.

DUPLICATE

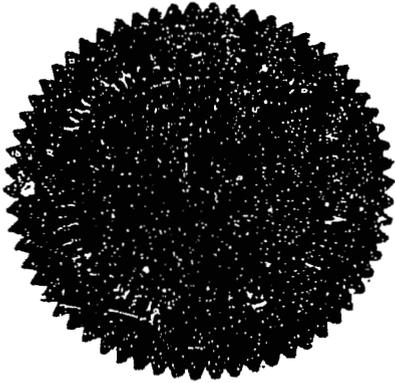
this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.

Witness, My official signature, this _____ day

of JUL 2 1925 192_____

Emma Guy Cromwell,
Secretary of State.

By C. W. Roberts,
Chief Clerk.



These amended Articles of Incorporation of the LOUISVILLE GAS AND ELECTRIC COMPANY, a corporation created and existing under the laws of the State of Kentucky,

W I T N E S S E T H:

That pursuant to the unanimous vote of more than two-thirds of the Capital Stock of the Louisville Gas and Electric Company, voted at a meeting of the stockholders of said company held in the City of Louisville at the office of the company, 311 West Chestnut Street, on June 25, 1925, pursuant to notice thereof duly given and also pursuant to a vote of the Directors of the said Company, the Articles of Agreement and Consolidation of July 2, 1913, between the Louisville Lighting Company, the Louisville Gas Company and the Kentucky Heating Company, constituting the articles of Incorporation of the said Louisville Gas and Electric Company, recorded in Incorporation Book 22, Page 188, in the Jefferson County Court Clerk's office, as amended by amended articles of Incorporation dated October 10, 1919, recorded in Incorporation Book 28, Page 517, in the said Clerk's office, and as further amended by amended Articles of Incorporation dated November 24, 1922, recorded in Incorporation Book 25, Page 22, in the said Clerk's office,

BE AND THE SAME IS NOW FURTHER AMENDED by striking out the Fourth Section of said Articles of Incorporation and substituting in lieu thereof the following:

Fourth: The amount of the authorized capital stock of such consolidated corporation shall be Forty-five Million Dollars (\$45,000,000), divided into nine hundred thousand (900,000) shares, of which stock Twenty-five Million Dollars (\$25,000,000) consisting of two hundred fifty thousand shares (250,000) shares of the par value of One Hundred Dollars (\$100.00) each, shall be preferred stock, Fifteen Million Dollars (\$15,000,000), consisting of one hundred fifty thousand (150,000) shares of the par value of One Hundred Dollars (\$100.00) each, shall be Class A Common Stock, and Five Million Dollars (\$5,000,000) consisting of five hundred thousand (500,000) shares of the par value of Ten Dollars (\$10.00) each, shall be Class B Common Stock.

Of said authorized issue of Twenty-five Million Dollars (\$25,000,000) of preferred stock, Eleven Million Five Hundred Thousand Dollars (\$11,500,000) shall be the one hundred fifteen thousand (115,000) shares of preferred stock, of the par value of One Hundred Dollars (\$100.00) each, heretofore issued and now outstanding, pursuant to authorization by the amended articles of Incorporation of the corporation, dated October 10, 1919. Said one hundred fifteen thousand (115,000) shares of preferred stock now outstanding shall be entitled to the rate of dividend and all other rights and preferences provided for in said amended Articles of Incorporation, dated October 10, 1919; which said rate of dividend, rights and preferences are also provided for herein as to said shares of preferred stock now outstanding. The remainder of said authorized preferred stock, namely, Thirteen Million Five Hundred Thousand Dollars (\$13,500,000) consisting of one hundred thirty-five thousand (135,000) shares of the par value of One Hundred Dollars (\$100.00) each, shall be entitled to the preferences, dividends and rights, and be subject to the conditions, hereinafter provided.

The holders of the preferred stock now outstanding shall be entitled to receive, when and as declared, from the surplus or net profits of the corporation, dividends at the rate of seven per cent (7%) per annum and no more, payable quarterly on dates to be fixed by the bylaws, and the holders of the preferred stock hereafter issued shall be entitled to receive dividends at the rate of not less than five per cent (5%) per annum nor more than eight per cent (8%) per annum, payable quarterly on dates to be fixed by the bylaws, before any dividends shall be set apart or paid on the common stock. The rate of dividend on any share or shares of preferred stock hereafter issued, shall be fixed by the Board of Directors before the issuance of the same, and shall be stated in the stock certificate for said share or shares. The preferred stock hereafter issued shall be entitled to no dividends in excess of the amount so stated. The dividends upon all preferred stock shall be cumulative, so that if in or for any

year, dividends amounting to the rate to which the same shall be entitled shall not be paid on the preferred stock, the deficiency shall be charged upon the net earnings of the corporation and be payable subsequently before any dividends shall be set apart or paid upon the Class A Common Stock or the Class B Common Stock. The holder of any share or shares of the preferred stock shall be entitled to dividends only from the date of the issuance of the same. Accumulations of dividends upon preferred stock shall not bear interest.

Whenever all cumulative dividends on the preferred stock for all previous years and the accrued installments for the current year, shall have been paid or set apart, dividends may be declared on the other classes of stock of the corporation, payable as the Board of Directors may determine, but only out of the remaining surplus or net profits of the corporation.

Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, the holders of the Class A Common Stock shall be entitled to receive, when and as declared from the surplus or net profits of the corporation, non-cumulative dividends at the rate of seven per cent (7%) per annum, payable quarterly at such times as the Board of Directors may determine, before any dividends shall be paid on the Class B Common Stock.

Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, and quarterly dividends on the Class A Common Stock shall have been declared for the current year at the rate of seven per cent (7%) per annum and shall have been paid, or shall have been set aside, the holders of the Class B Common Stock shall be entitled to receive when and as declared from the surplus or net profits of the corporation, dividends on said stock at the rate of seven per cent (7%) per annum.

Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, and dividends for the current year to the amount of seven per cent (7%) have been paid on both the Class A

Common Stock and the Class B Common Stock or have been set apart, any remaining surplus or net profits which the Board of Directors may, in its discretion, see fit to declare as dividends shall be distributed and divided to and among the holders of the Class A Common Stock and the holders of the Class B Common Stock in the proportion, share for share, of ten for the Class A Common Stock to one for the Class B Common Stock; that is to say by way of example, for each One Dollar (\$1.00) of dividend declared on each share of Class A Common Stock, there shall be declared upon each share of Class B Common Stock a dividend of ten cents (10c)/

In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the corporation, the holders of the preferred stock shall be entitled to be paid in full both the par amount of their shares and all unpaid cumulative dividends thereon before any amount shall be paid to the holders of the Class A Common Stock or the holders of the Class B Common Stock, and after such payment in full to the holders of the preferred stock, the remaining assets and funds shall be divided between and paid to the holders of the Class A Common Stock and the holders of the Class B Common Stock, as herein provided.

In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the corporation, after the holder of the preferred stock shall have been paid in full both the par amount of their shares and all unpaid cumulative dividends thereon, the holders of the Class A Common Stock shall be entitled to be paid in full the par value of their shares before any amount shall be paid to the holders of the Class B Common Stock. After such payment in full to the holders of the preferred stock and the holders of the Class A Common Stock, the holders of Class B Common Stock shall be entitled to be paid in full the par amount of their shares. The remaining assets and funds shall then be divided between and paid to the holders of Class A Common Stock and Class B Common Stock in the proportion, share for share, of ten for the Class A Common Stock and to one for the Class B Common Stock; that is to say, by way of example, for each One Dollar (\$1.00) paid on each share of Class A Common Stock, there shall be paid on each share of Class B Common Stock Ten Cents (10c).

The preferred stock shall be subject to redemption at One Hundred Fifteen Dollars (\$115.00) per share and any dividends accumulated and unpaid thereon at any dividend period, and at the option of the Board of Directors any

of said preferred stock then remaining in the treasury unissued may thereupon be cancelled.

In the event that less than all of the preferred stock of the corporation shall be redeemed, the stock to be redeemed shall be fixed and determined by the Board of Directors, either by lot, or by redemption pro rata or by designation by the Board of Directors of particular shares for redemption or in any other manner, as the Board of Directors may see fit. Said stock shall be redeemed by the mailing of a notice at least sixty (60) days before the date of redemption to the stockholders in whose names the shares desired to be redeemed and cancelled shall stand upon the date of the adoption of the resolution for the redemption thereof, at their respective addresses as shown on the books of the corporation, or at their last known post-office address, and thereupon all interest of such stockholders in the corporation shall cease and they shall be entitled only to be paid upon demand on or after the date fixed for the redemption of said stock, the amount payable to them for such stock as hereinbefore provided, without interest.

Class A Common Stock shall be subject to redemption at One Hundred Fifteen Dollars (\$115.00) per share upon sixty (60) days' notice to be given in such manner as the Board of Directors may determine. If less than all the outstanding shares of Class A Common Stock are to be redeemed the shares to be redeemed shall be determined by the Board of Directors, either by lot or by redemption pro rata, or by designation by the Board of Directors of particular shares for redemption, or in any other manner as the Board of Directors may see fit. From and after the date fixed in any such notice as the date of redemption (unless default shall be made by the corporation in making payment or deposit of the redemption price as set forth in such notice), all rights of the holders of record thereof as stockholders of the corporation, except the right to receive the redemption price, shall cease and determine.

Each holder of the preferred stock heretofore issued and now outstanding, and each holder of the Class A Common Stock and each holder of the Class B Common Stock, shall at every meeting of the stockholders be entitled to one vote for each share of said respective classes of stock standing in his name at the time of the close of the transfer books before such meeting, or as may be otherwise provided by law, it being understood that each share of common stock (whether Class A or Class B), shall possess the same voting power as each share of the preferred stock

heretofore issued and now outstanding. Except as otherwise specifically provided by law, the preferred stock hereafter issued shall have no voting power whatever and shall not be entitled to any notice of any meeting of the stockholders of the corporation, or of any action of the stockholders or of the corporation.

All Common stock of the corporation outstanding at the date of the adoption of this amendment to the Articles of Incorporation of the corporation shall thereafter for all purposes be considered Class A Common Stock, with the respective rights, preferences and conditions of issue hereinbefore in this Article stated."

IN TESTIMONY OF ALL WHICH witness the signature and seal of the Louisville Gas and Electric Company by its Vice President and General Manager, T. B. Wilson, duly attested by its Assistant Secretary, and the signatures of the undersigned, constituting a majority of the Board of Directors of the said company, thereto duly authorized by resolution of the Board of Directors of said company at a meeting duly held at its office in the City of Louisville, State of Kentucky, on the 25th day of June, 1925.

LOUISVILLE GAS AND ELECTRIC COMPANY

By

T. B. Wilson

Vice President & General Manager

Attest:

J. A. F. G. G. G.

Asst. Secretary.

T. B. Wilson

Walter C. Roberts

P. D. Quinn

John H. Brown

D. J. Leonard

Walter M. Conable

L. J. Staley

John H. Brown

I, F. A. Hobbe, Assistant Secretary of the Louisville Gas and Electric Company, do hereby certify that the foregoing T. B. Wilson, Matt O'Doherty, P. S. Pogue, Jno. W. Barr, Jr., D. McDonald, Jr., Robt. M. Tribble, L. S. Strong and Jno. H. Komer whose names are signed to the foregoing amended Articles of Incorporation, constitute a majority of the Board of Directors of the said Louisville Gas and Electric Company; and I further certify that at a meeting of the Stockholders of said Louisville Gas and Electric Company held on the 25th day of June, 1925, at the office of the Company in the City of Louisville, State of Kentucky, the foregoing amended Articles of Incorporation were adopted by a vote of the owners of more than two-thirds of the capital stock of the said Louisville Gas and Electric Company, issued and outstanding.

F. A. Hobbe

Assistant Secretary.

STATE OF KENTUCKY)
 :
COUNTY OF JEFFERSON)

I, Fanny B. McDonald, Notary Public in and for the County aforesaid, do hereby certify that on this day the foregoing amended Articles of Incorporation were produced before me, in my office, and were acknowledged and delivered by T. B. Wilson, as Vice President and General Manager, to be the act and deed of the Louisville Gas and Electric Company, party thereto, and by F. A. Hobbs, Assistant Secretary, to be his act and deed as Assistant Secretary of the said Louisville Gas and Electric Company. And the said amended Articles of Incorporation were further acknowledged and delivered before me by T. B. Wilson, Matt O'Doerty, P. S. Pogue, Jno. W. Barr, Jr., Donald McDonald, Jr., Robt. M. Frimble, L. S. Streng and Jno. H. Roemer, constituting a majority of the Board of Directors of the Louisville Gas and Electric Company to be their act and deed as Directors; and the certificate attached to the said amended Articles of Incorporation of F. A. Hobbs, Assistant Secretary was acknowledged and delivered before me to be by F. A. Hobbs to be his act and deed.

Given under my hand and seal this 25th day of June, 1925. My commission expires January 3, 1926.

Fanny B. McDonald
Notary Public, Jefferson County, Ky.

FRED O. KURTZEL, Clerk of the County Court of Jefferson County, in the State of Kentucky, do hereby certify that on this day all the foregoing Articles of Incorporation were produced to me in my office, and that I have recorded them. This and the foregoing certificate in my said office.

Witness my hand this 27th day of June 1925

Fred O. Kurtzel
Clerk

A COPY ATTEST

[Signature]
Clerk

Book 51

Page 105

OLIVEVILLE

Tennessee

AMENDED ARTICLES OF INCORPORATION

Lowville Trucking Co.
Company

Increasing its Capital Stock from

\$ 45,000,000 to \$ 90,000,000

Organization Tax on Increase \$ 45,000

Filed and Certificate Issued _____ day of

OCT 25 1926

1926

Recording Fee \$ 2.00 paid.

[Signature]
[Signature]

Secretary of State.

By [Signature]
Chief Clerk Corporation Dept.

Recorded in Corporation

Book No. 105 Page 313

Recorded [Signature] Compared [Signature]

Indexed [Signature]

Commonwealth of Kentucky



Office of **Secretary of State**

ELLA LEWIS, SECRETARY

CORPORATION DEPARTMENT

The Louisville Gas & Electric Company. Louisville, KY.

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky, having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended

Articles of Incorporation, Increasing Capital stock from

Forty Five Million (\$45,000,000.00.) to Fifty Million (\$50,000,000.00.)
Dollars.

Organization of \$45,000,000.00 paid.

DUP
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this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.

Witness, My official signature, this 25th day
of October, 1928

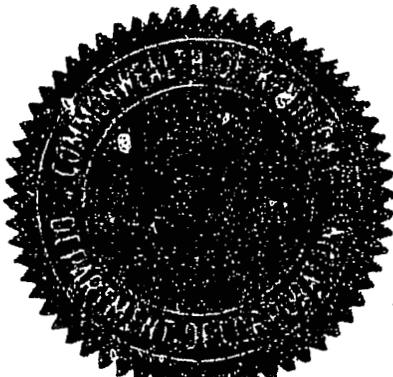
Ella Lewis

Secretary of State

By

W. H. ...

Chief Clerk



A description of said respective classes of stock with the terms on which they are created and a statement and expression of the duties, rights, preferences, restrictions and voting powers or restrictions or qualifications thereof of said respective classes are as follows:

The one hundred fifteen thousand (115,000) shares of preferred stock of the par value of one hundred dollars (\$100) each issued and outstanding prior to June 25, 1923, pursuant to the authorization by the amended articles of incorporation of the corporation, dated September 1, 1918, shall remain outstanding as preferred stock of a series designated 7 Cumulative preferred stock with all existing rights and preferences, and all rights and preferences are hereinafter in this article fourth set forth.

The one hundred fifteen thousand (115,000) shares of preferred stock of the par value of one hundred dollars (\$100) each, issued subsequent to June 25, 1923, and prior to the date of this amendment, shall remain outstanding as preferred stock of a series designated 6 Cumulative preferred stock with all existing rights and preferences, and all rights and preferences are hereinafter in this article fourth set forth.

✓ ✓ The remaining one hundred seventy thousand (170,000) shares of preferred stock authorized to be issued by the corporation may be issued from time to time, as determined by the Board of Directors of the corporation, either in whole or in part, as 7 Cumulative preferred stock, 6 Cumulative preferred stock or as one or more other series, each series to be appropriately designated by distinguishing number, letter or title prior to the issue of any shares thereof. The preferred stock of all series shall be of equal rank and shall be identical in all respects except as hereinafter specifically provided.

The holders of the 7 Cumulative preferred stock shall be entitled to receive, when and as declared, from the surplus or net profits of the corporation, dividends at the rate of seven per cent. (7%) per annum and no more, payable quarterly on dates to be fixed by the by-laws; the holders of the 6 Cumulative preferred stock shall be entitled to receive when and as declared from the surplus or net profits of the corporation dividends at the rate of six per cent. (6%) per annum and no more, payable quarterly on dates to be fixed by the by-laws, and the holders of the preferred stock hereinafter issued shall be entitled to receive dividends at a rate of not less than eight per cent. (8%)

shall be entitled to receive dividends at a rate of not more than eight per cent. (8%) per annum, payable quarterly on dates to be fixed by the by-laws before any dividends shall be set apart or paid on the common stock. The rate of dividend on any share or shares of preferred stock hereafter issued shall be fixed by the Board of Directors before the issuance of the same and shall be stated in the stock certificate for said share or shares. The preferred stock hereafter issued shall be entitled to no dividends in excess of the amount so stated. The dividends upon all preferred stock shall be cumulative, so that if in or for any year, dividends amounting to the rate to which the same shall be entitled shall not be paid on the preferred stock, the deficiency shall be charged upon the net earnings of the corporation and be payable subsequently before any dividends shall be set apart or paid upon the Class A Common Stock or the Class B Common Stock. The holder of any share or shares of the preferred stock shall be entitled to dividends only from the date of the issuance of the same. Accumulations of dividends upon preferred stock shall not bear interest.

Whenever all cumulative dividends on the preferred stock for all previous years and the accrued installments for the current year, shall have been paid or set apart, dividends may be declared on the other classes of stock of the corporation, payable as the Board of Directors may determine, but only out of the remaining surplus or net profits of the corporation.

Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, the holders of the Class A Common Stock shall be entitled to receive, when and as declared from the surplus or net profits of the corporation, non-cumulative dividends at the rate of seven per cent (7%) per annum, payable quarterly at such times as the Board of Directors may determine, before any dividend shall be paid on the Class B Common Stock.

Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, and quarterly dividends on the Class A Common Stock shall have been declared for the current year at the rate of seven per cent.

(7%) per annum and shall have been paid, or shall have been set aside, the holders of the Class B Common Stock shall be entitled to receive such and as declared for the surplus or net profits of the corporation, dividends on said stock at the rate of seven per cent (7%) per annum.

"Whenever all cumulative dividends on the preferred stock for all previous years shall have been declared and shall have been paid, and the accrued installments for the current year shall have been paid or set apart, and dividends for the current year to the amount of seven per cent (7%) have been paid on both the Class A Common Stock and the Class B Common Stock or have been set apart, any remaining surplus or net profits which the Board of Directors may, in its discretion, see fit to declare as dividends shall be distributed and divided to and among the holders of the Class A Common Stock and the holders of the Class B Common Stock in the proportion, share for share, of ten for the Class A Common Stock to one for the Class B Common Stock; that is to say by way of example, for each one dollar (\$1.00) of dividend declared on each share of Class A Common Stock, there shall be declared upon each share of Class B Common Stock a dividend of ten cents (10%).

"In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the corporation, the holders of the preferred stock shall be entitled to be paid in full both the par amount of their shares and all unpaid cumulative dividends thereon before any amount shall be paid to the holders of the Class A Common Stock or the holders of the Class B Common Stock, and after such payment is full to the holders of the preferred stock, the remaining assets and funds shall be divided between and paid to the holders of the Class A Common Stock and the holders of Class B Common Stock as herein provided.

"In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the corporation, after the holders of the preferred stock shall have been paid in full both the par amount of their shares and all unpaid cumulative dividends thereon, the holders of the Class A Common Stock shall be entitled to be paid in full the par value of their shares before any amount shall be paid to the holders of the Class B Common Stock. After such payment is full to the holders of the preferred stock and the holders of the Class A Common Stock, the holders of Class B Common Stock shall be entitled to be paid in full the par amount of their shares. The remaining assets and funds shall then be divided between and paid to the holders

of Class A Common Stock and Class B Common Stock in the proportion, share for share, of ten for the Class A Common Stock to one for the Class B Common Stock; that is to say, by way of example, for each one dollar (\$1.00) paid on each share of Class A Common Stock, there shall be paid on each share of Class B Common Stock ten cents (10%).

"The 7 Cumulative preferred stock and 6 Cumulative preferred stock shall be subject to redemption at one hundred fifteen dollars (\$115) per share and any dividends accumulated and unpaid thereon at any dividend period. The preferred stock, other than the 7 Cumulative preferred stock and 6 Cumulative preferred stock, shall be subject to redemption at such price per share for each series, to be not less than the par value thereof and not more than one hundred fifteen dollars (\$115) per share as shall have been fixed by the Board of Directors in respect of such series and expressed in the certificates thereof, together with the amount of any dividends accumulated and unpaid thereon. At the option of the Board of Directors any of said preferred stock remaining in the Treasury unissued may be cancelled.

"In the event that less than all of the preferred stock of the corporation shall be redeemed, the stock to be redeemed shall be fixed and determined by the Board of Directors, either by lot, or by redemption pro rata or by designation by the Board of Directors of particular shares for redemption or in any other manner as the Board of Directors may see fit. Said stock shall be redeemed by the mailing of a notice at least sixty (60) days before the date of redemption to the stockholder. If such notice is mailed to the address of the stockholder as shown in the books of the corporation, or if it is mailed to the office address, and the recipient of the notice is a stockholder of the corporation, all interest on such stock shall be entitled only to be paid on or before the date fixed for the redemption of said stock, the amount payable to be for such stock as aforesaid, provided, without interest.

"Class C Common Stock shall be subject to redemption at one hundred fifteen dollars (\$115) per share upon sixty (60) days' notice to be given in such manner as the Board of Directors may determine. If less than all the outstanding shares of Class C Common Stock are to be redeemed the shares to be redeemed shall be determined by the Board of Directors, either by lot or by redemption pro rata, or by designation by the Board of Directors of particular shares for redemption, or in any other manner as the Board of Directors may see fit. From and after the date fixed in any such notice as

the date of redemption (unless default shall be made by the corporation in making payment or deposit of the redemption price as set forth in such notice); all rights of the holders of record thereof as stockholders of the corporation, except the right to receive the redemption price, shall cease and determine.

"Each holder of stock shall at every meeting of the stockholders be entitled to one vote for each share of stock standing in his name at the time of the transfer book before such meeting or as may be otherwise provided by law, it being understood that each share of common stock, whether Class 1 or Class 2, shall possess the same voting power as each share of preferred stock."

IT IS HEREBY CERTIFIED, the undersigned, resident and Director of Louisville Gas and Electric Company, constituting a majority thereof, have hereunto set their hands and seals this 27 day of September, 1928.

J. J. O'Brien (SEAL)
resident

I. H. Thurman (SEAL)

Geo. H. Harries (SEAL)

L. S. Streng (SEAL)

Matt O'Doherty (SEAL)

Robt. W. Trimble (SEAL)

P. S. Pogue (SEAL)

D. McDonald, Jr. (SEAL)

T. B. Wilson (SEAL)
Directors.

Box 245

LOUISVILLE

Jefferson

County.

Amended Articles of Incorporation

OF
Louisville Gas & Electric Co

7 as to Directors & Power

Increased from 14 to 15
Increasing its Capital Stock from

\$ _____ to \$ _____

Organization Tax on Increase \$ _____

Filed and Certificate Issued _____ day of

OCT 4 1929

192

Recording Fee \$ *2.00* paid.

~~_____~~
Secy of State.

By *C. K. Roberts*
Chief Clerk Corporation Dept.

Recorded in Corporation

Book No. *112* Page *328*

Recorded *M.S.* Compared _____

Indexed *O.L.A.*

32

Commonwealth of Kentucky



Office of **Secretary of State**

ELLA LEWIS, SECRETARY

CORPORATION DEPARTMENT

Louisville Gas & Electric Company.

Louisville, KY.

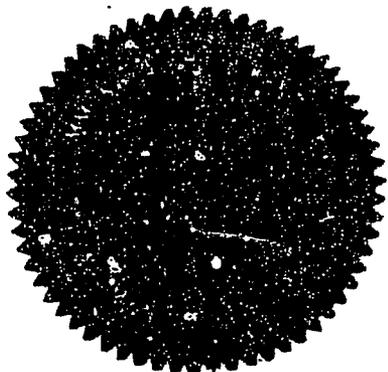
The

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended Articles of Incorporation, art #7 as to number of directors & power.

DUPLICATE

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.

Witness, My official signature, this 4th day
of October, 1929



Ella Lewis
Secretary of State
W. H. [unclear]
Chief Clerk

By _____

AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

KNOW ALL MEN BY THESE PRESENTS: That pursuant to the consent in writing of the owners of more than two-thirds in amount of the capital stock of Louisville Gas and Electric Company, Article Seventh of the Articles of Agreement and Consolidation, dated July 2, 1913, between Louisville Lighting Company, Louisville Gas Company and Kentucky Heating Company (constituting the articles of Incorporation of said Louisville Gas and Electric Company) recorded in the County Clerk's office of Jefferson County, Kentucky on July 2, 1913, in Corporation Book No. 22, at page 188, and filed and recorded in the office of the Secretary of State of Kentucky on July 2, 1913 as amended by an amendment dated October 10, 1919, recorded in the County Clerk's office of Jefferson County, Kentucky on November 4, 1919, in Corporation Book No. 28, at page 517, and filed and recorded in the office of the Secretary of State of Kentucky on November 7, 1919, and as further amended by an amendment dated November 24, 1922, recorded in the County Clerk's office of Jefferson County, Kentucky on November 25, 1922 in Corporation Book No. 32, at page 327, and filed and recorded in the office of the Secretary of State of Kentucky on November 25, 1922, and as further amended by an amendment, dated June 25, 1925, recorded in the County Clerk's office of Jefferson County, Kentucky on June 27, 1925, in Corporation Book No. 35, at page 262, and filed

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, L. M. SAGE, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 27th day of September, 1929, the foregoing amendment to the articles of Incorporation of Louisville Gas and Electric Company was produced before me by the said John K. Rosmer and Halford Erickson, directors of said Louisville Gas and Electric Company, who are personally known to me, and they severally acknowledged to me that as such directors they signed the said amendment as their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 27th day of September, 1929.

L. M. Sage

Notary Public
Cook County, Illinois.

My commission expires:
June 15 - 1930

I am *and* *a*
of the *and* *the* *and* *the* *foreign*
Witness my hand this 27 day of Oct 1929
H. S. [Signature]

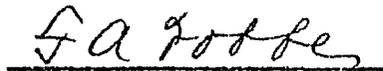
A COPY ATTEST

[Signature]
Notary Public

STATE OF KENTUCKY)
) ss.
COUNTY OF JEFFERSON)

I, F.A. Hobbs, a Notary Public in and for the county and state aforesaid, do hereby certify that on this 26th day of September, 1929, the foregoing amendment to the Articles of Incorporation of Louisville Gas and Electric Company was produced before me by the said T.B. Wilson, L.S. Strong, Jno. E. Barr, Jr., P.L. Fogue, Arthur Peter, and D. McDonald, Jr., directors of said Louisville Gas and Electric Company, who are personally known to me and they severally acknowledged to me that as such directors they signed the said amendment as their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 26th day of September, 1929.



Notary Public
Jefferson County, Kentucky

My commission expires
January 5, 1930.

ing a majority thereof, have hereunto set their hands
and seals this 26th day of September, 1929.

W. Wilson (SEAL)

L. S. Strong (SEAL)

John W. King (SEAL)

C. S. Ryan (SEAL)

W. W. Peter (SEAL)

L. M. Doucet Jr. (SEAL)

John H. Roemer (SEAL)

Nagard Erickson (SEAL)

and recorded in the office of the Secretary of State of Kentucky on July 2, 1925, and as further amended by an amendment dated September 10, 1928, recorded in the County Clerk's office of Jefferson County, Kentucky on October 17 1928 in Corporation Book 38, at page 458, and filed and recorded in the office of the Secretary of State of Kentucky on October 25, 1928, are hereby amended by striking out Article Seventh of said Articles of Incorporation and substituting in lieu thereof the following:

"SEVENTH: The affairs of the consolidated corporation shall be conducted by a Board of Directors, fifteen in number, and by a president, one or more vice-presidents, a secretary, one or more assistant secretaries, a treasurer, one or more assistant treasurers, and such other officers as may be prescribed by the by-laws. The terms of all the officers of the company may likewise be fixed by the by-laws. The directors herein named, as well as those hereafter chosen, shall serve until their successors are elected and qualify. Beginning with the year 1914 there shall be an annual meeting of the stockholders of the corporation held at the office of the company in the City of Louisville, Kentucky, on the second Monday in September of each year, for the election of directors and the transaction of such other business as may be properly brought before it. At any annual meeting the stockholders may, by a vote of the holders of two-thirds of the outstanding capital stock, reduce the number of directors to any number not less than nine. The Board of Directors, as soon as practicable after their election each year, shall elect from among their number a president, and shall also elect one or more vice-presidents, a secretary and one or more assistant secretaries, a treasurer and one or more assistant treasurers. None of these officers, except the president, need be a member of the Board of Directors, and one person may hold any two or more offices."

IN TESTIMONY WHEREOF, the undersigned, directors of Louisville Gas and Electric Company, constitut-

No. 245
32196
LOUISVILLE

Jefferson County.

Amended Articles of Incorporation

OF
Louisville Gas & Electric
Company

#7 As to number of Directors

Increasing its Capital Stock from 400,000

\$ _____ to \$ _____

Organization Tax on Increase \$ _____

Filed and Certificate Issued _____ day of

SEP 29 1937

192

Recording Fee \$ 3.00 paid.

[Signature]

By _____
ch.

Recorded in Corporation

Book No. 141 Page 262

Recorded M.Y.J. Compared J.P.

Indexed M.Y.J.

Commonwealth of Kentucky



Office of Secretary of State

Chas. D. Arnett. THOMAS W. WILKINSON, SECRETARY

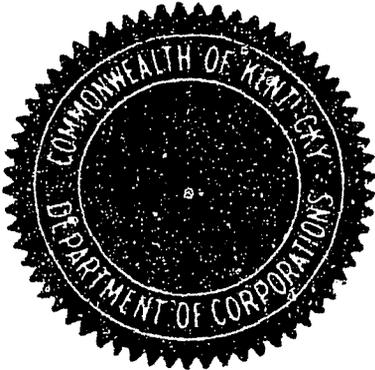
CORPORATION DEPARTMENT

The Louisville Gas & Electric Company. Louisville, KY.

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; having this day filed in the office of the Secretary of State of the State of Kentucky a certified copy of the amended Articles of Incorporation, Art #7-As to number of directors and officers.

DUPLICATE

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.



Witness, my official signature, this 28th day of September, 1937

By Chas. D. Arnett.
Secretary of State.
C. D. Roberts
Chief Clerk.

AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

KNOW ALL MEN BY THESE PRESENTS: That pursuant to the consent in writing of the owners of more than two-thirds in amount of the capital stock of Louisville Gas and Electric Company, Article Seventh of the Articles of Agreement and Consolidation, dated July 2, 1913, between Louisville Lighting Company, Louisville Gas Company and Kentucky Heating Company (constituting the Articles of Incorporation of said Louisville Gas and Electric Company) recorded in the County Clerk's office of Jefferson County, Kentucky on July 2, 1913, in Corporation Book No. 22, at page 188, and filed and recorded in the office of the Secretary of State of Kentucky on July 2, 1913 as amended by an amendment dated October 10, 1919, recorded in the County Clerk's office of Jefferson County, Kentucky on November 4, 1919, in Corporation Book No. 28, at page 517, and filed and recorded in the office of the Secretary of State of Kentucky on November 7, 1919, and as further amended by an amendment dated November 24, 1922, recorded in the County Clerk's office of Jefferson County, Kentucky, on November 25, 1922 in Corporation Book No. 32, at page 337, and filed and recorded in the office of the Secretary of State of Kentucky on November 26, 1922, and as further amended by an amendment, dated June 25, 1925, recorded in the County Clerk's office of Jefferson County, Kentucky on June 27, 1925, in Corporation Book No. 35 at page 262, and filed and recorded in the office of the Secretary of State of Kentucky on July 2, 1925, and as further amended by an amendment dated September 10, 1928, recorded in the County Clerk's office of Jefferson County, Kentucky on October 17, 1928, in Corporation Book No. 38, at page 458, and filed and recorded in the office of the Secretary of State of Kentucky

on October 25, 1928, and as further amended by an amendment dated September 26, 1929, recorded in the County Clerk's office of Jefferson County, Kentucky, on October 3, 1929 in Corporation Book No. 39, at page 523, and filed and recorded in the office of the Secretary of State of Kentucky on October 4, 1929, is hereby amended by striking out Article Seventh of said Articles of Incorporation and substituting in lieu thereof the following:

"SEVENTH: The affairs of the consolidated corporation shall be conducted by a Board of Directors, nine in number, and by a president, one or more vice-presidents, a secretary, one or more assistant secretaries, a treasurer, one or more assistant treasurers, and such other officers as may be prescribed by the by-laws. The terms of all the officers of the company may likewise be fixed by the by-laws. The directors herein named, as well as those hereafter chosen, shall serve until their successors are elected and qualify. Beginning with the year 1914 there shall be an annual meeting of the stockholders of the corporation held at the office of the company in the City of Louisville, Kentucky, on the second Monday in September of each year, for the election of directors and the transaction of such other business as may be properly brought before it. The Board of Directors, as soon as practicable after their election each year, shall elect from among their number a president, and shall also elect one or more vice-presidents, a secretary and one or more assistant secretaries, a treasurer and one or more assistant treasurers. None of these officers, except the president, need be a member of the Board of Directors, and one person may hold any two or more offices."

IN TESTIMONY WHEREOF, the undersigned, constituting all the directors of Louisville Gas and Electric Company, have hereunto set their hands and seals on the respective dates set beside their names.

(NAME)	(SEAL)	(DATE)
<u>W. M. Brown</u>	(SEAL)	September 13, 1937
<u>J. W. Brown</u>	(SEAL)	September 13, 1937
<u>W. C. Lee</u>	(SEAL)	September 13, 1937
<u>W. H. Brown</u>	(SEAL)	September 13, 1937
<u>H. M. Peter</u>	(SEAL)	September 13, 1937
<u>W. H. Brown</u>	(SEAL)	September 13, 1937
<u>W. H. Brown</u>	(SEAL)	September 21, 1937
<u>W. H. Brown</u>	(SEAL)	September 21, 1937
<u>Robert W. Crumble</u>	(SEAL)	September 24, 1937

STATE OF ILLINOIS,)
COUNTY OF C O O K.) ss.

I, J. M. SAGE, a Notary Public in and for the county and State aforesaid, do hereby certify that on this 21st day of September, 1937, the foregoing amendment to the Articles of Incorporation of Louisville Gas and Electric Company was produced before me by the said E. F. Braheney and H. C. Cummins, directors of said Louisville Gas and Electric Company, who are personally known to me and they severally acknowledged to me that as such directors they signed the said amendment as their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 21st day of September, 1937.


Notary Public
Cook County, Illinois.

My Commission expires: June 21, 1938.

STATE OF KENTUCKY,)
 Jefferson) ss.
COUNTY OF MONTGOMERY.)

I, *Francess S. McDonald*, a Notary Public in and for the county and State aforesaid, do hereby certify that on this *24th* day of September, 1937, the foregoing amendment to the Articles of Incorporation of Louisville Gas and Electric Company was produced before me by the said R. M. Trimble, a director of said Louisville Gas and Electric Company, who is personally known to me and he acknowledged to me that as such director he signed the said amendment as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this *24th* day of September, 1937.

Francess S. McDonald
Notary Public
Montgomery County, Kentucky
Jefferson

My Commission expires:

Dec. 28, 1937

I, JUDIA F. GIBBS, Clerk of the County Court of Jefferson County, in the State of Kentucky, do certify that on this *24th* day of *September*, 1937, the foregoing amendment to the Articles of Incorporation of Louisville Gas and Electric Company was produced to me in my office, and that I have recorded them, this, and the foregoing certificate in my said office.

Witness my hand this *24th* day of *September*, 1937

Judith F. Gibbs

A COPY, ATTEST:

John T. Wiley Clerk
John T. Wiley D. J.

32196
MAY 1941 1075

Commonwealth of Kentucky

Department of State



Office of **Secretary of State**

GEORGE GLENN HATCHER, SECRETARY

CORPORATION DEPARTMENT

The LOUISVILLE GAS AND ELECTRIC COMPANY

a Corporation organized and existing under and by virtue of the laws of the Commonwealth of Kentucky; having this day filed in the office of the Secretary of State of the State of Kentucky, a certified copy of the amended Articles of Incorporation, AMENDING ARTICLES CONCERNING RECLASSIFICATION OF CAPITAL STOCK.

this certificate is issued as evidence of the fact that the said corporation has amended its charter as above set out in the manner prescribed by law.



Witness, my official signature, this 28th day

of May, 1941
George Glenn Hatcher
Secretary of State.

By C. W. McKay
Corporation Clerk.

Stock and of each other series of the Preferred Stock, at the annual dividend rate and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past quarter-yearly dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The holders of the Preferred Stock of any series shall not be entitled to receive any dividends thereon other than the dividends referred to in this paragraph (2).

(3) The Company, by action of its Board of Directors, may redeem the whole or any part of any series of the Preferred Stock, at any time or from time to time, by paying in cash the redemption price of the shares of the particular series, fixed therefor as herein provided, together with a sum in the case of each share of each series so to be redeemed, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for such redemption, less the aggregate of the dividends theretofore or on such redemption date paid thereon. Notice of every such redemption shall be given by publication at least once in one daily newspaper printed in the English language and of general circulation in Louisville, Kentucky, the first publication in such newspaper to be at least thirty (30) days prior to the date fixed for such redemption. At least thirty (30) days' previous notice of every such redemption shall also be mailed to the holders of record of the shares of the Preferred Stock so to be redeemed, at their respective addresses as the same shall appear on the books of the Company; but no failure to mail such notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Preferred Stock so to be redeemed. In case of redemption of a part only of any series of the Preferred Stock at the time outstanding, the Board of Directors shall fix and determine the stock to be so redeemed either by lot or by redemption pro rata or by designation of particular shares for redemption or in any other manner the Board of Directors may see fit. The Board of Directors shall have full

deposit, the amount payable upon the redemption thereof, without interest.

(4) Before any amount shall be paid to, or any assets distributed among, the holders of the Common Stock or any other stock ranking junior to the 5% Cumulative Preferred Stock or to the Preferred Stock of each series, upon any liquidation, dissolution or winding up of the Company, and after paying or providing for the payment of all creditors of the Company, the holders of each series of the Preferred Stock at the time outstanding shall be entitled, *pari passu* with the holders of the 5% Cumulative Preferred Stock and of every other series of the Preferred Stock, to be paid in each the amount for the particular series fixed therefor as herein provided, together with a sum in the case of each share of each series, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of any series of the Preferred Stock unless there shall likewise be paid at the same time to the holders of the 5% Cumulative Preferred Stock and of each other series of the Preferred Stock at the time outstanding like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they are respectively entitled as herein provided. The holders of the Preferred Stock of any series shall not be entitled to receive any amounts with respect thereto upon any liquidation, dissolution or winding up of the Company other than as provided in this paragraph. Neither the consolidation or merger of the Company with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Company.

(5) Whenever the full dividends on the 5% Cumulative Preferred Stock and on all other series of the Preferred Stock at the time outstanding for all past quarter-yearly dividend periods shall have been paid or declared and set apart for payment, then such dividends as may be determined by the Board of Di-

(B) So long as any shares of the Preferred Stock of either par value of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of a majority of the total number of shares of such preferred stock then outstanding (each share of 5% Cumulative Preferred Stock of the par value of \$100 each being deemed for the purposes of such vote or consent to be the equivalent of four shares of Preferred Stock of the par value of \$25 each):

(a) Create or authorize any class of stock ranking prior to or (other than a series of the 1,720,000 authorized shares of Preferred Stock) ranking on a parity with any series of the Preferred Stock of either par value as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock of the par value of \$25 each in excess of the initial 860,792 shares of 5% Cumulative Preferred Stock, \$25 Par Value, or of any class of stock ranking prior to or on a parity with the Preferred Stock of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on Preferred Stock of either par value or on any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock of all par values and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; or

(c) Merge or consolidate with or into any other corporation or corporations, unless such merger or consolidation, or the issuance or assumption of all securities to be issued or assumed in connection with any such merger or consolidation, shall have been ordered, approved, or permitted by the Se-

Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In case of a vacancy in the Board of Directors occurring among the Directors elected by the holders of the Common Stock, as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Common Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In all other cases, any vacancy occurring among the Directors shall be filled by the vote of a majority of the remaining Directors.

(B) At all meetings of stockholders held for the purpose of electing directors during such times as the holders of shares of the 5% Cumulative Preferred Stock and of the Preferred Stock shall have the special right, voting separately as one class, to elect directors pursuant to subparagraph (B) hereof, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Common Stock shall be required to constitute a quorum of such class for the election of directors, and the presence in person or by proxy of the holders of 5% Cumulative Preferred Stock and of Preferred Stock entitled to cast a majority of all the votes to which the holders of the 5% Cumulative Preferred Stock and of the Preferred Stock are entitled, shall be required to constitute a quorum of such class for the election of directors; provided, however, that the absence of a quorum (according to votes, as aforesaid) of the holders of stock of either such class shall not prevent the election at any such meeting or adjournment thereof of directors by the other such class if such quorum of the holders of stock of such other class is present in person or by proxy at such meeting; and provided further that in the absence of such quorum of the holders of stock of either such class, a majority (according to votes, as aforesaid) of those holders of the stock of such class who are present in person or by proxy shall have power to

Stock, \$25 Par Value then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

COMMON STOCK
(Without par value)

The one hundred fifty thousand (150,000) shares of the par value of \$100 each of Class A common stock and the two million five hundred thousand (2,500,000) shares of the par value of \$10 each of Class B common stock, issued and unissued, heretofore authorized, shall be and hereby are reclassified into two million (2,000,000) shares of Common Stock without par value. The 103,243 shares of the par value of \$100 each of Class A common stock now issued and outstanding shall, upon the filing of this Amendment be reclassified into 619,458 shares of Common Stock without par value, and \$9,291,870 of the \$10,324,300 in the Class A Common Stock account shall thereupon be transferred to Common Stock account and the balance of \$1,032,430 shall be transferred to Capital Surplus. The 205,150 shares of the par value of \$10 each of Class B common stock now issued and outstanding shall, upon the filing of this Amendment, be reclassified into 104,292 shares of Common Stock without par value and \$1,564,380 of the \$2,051,500 in the Class B Common Stock account shall thereupon be transferred to Common Stock account and the balance of \$487,120 shall be transferred to Capital Surplus.

The Board of Directors is authorized to issue 160,089 shares of Common Stock without par value in exchange for 31,268 shares of 7% Cumulative Preferred Stock (\$100 par value) and 3,534 shares of 6% Cumulative Preferred Stock (\$100 par value), and thereupon \$3,480,200 shall be transferred from the Preferred Stock account, of which amount \$2,401,335 shall be transferred to Common Stock account and the balance of \$1,078,865 shall be transferred to Capital Surplus.

Any remaining shares of Common Stock without par value now or hereafter authorized may be issued by the Company from time to time for such consideration as may be fixed from time to time by the Board of Directors. The Board of Directors may also determine the

State of Kentucky }
County of Jefferson } ss:

I, Dan C. Ewing, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Amendment to the Articles of Incorporation of Louisville Gas and Electric Company (a corporation organized under the Laws of Kentucky) was produced to me this 29th day of May, 1941, by the following parties, to-wit:

T. B. Wilson	Arthur Peter
J. J. McKenna	Menefee Wirgman
A. W. Lee, Jr.	Charles W. Milner
R. Montgomery	

constituting a majority of the Board of Directors of said corporation, and acknowledged by them, and each of them, to be their act and deed and the act and deed of the corporation by them and each of them as such Directors.

IN TESTIMONY WHEREOF witness my hand and seal this 29th day of May, 1941.

Dan C. Ewing
Dan C. Ewing

Notary Public,
Jefferson County, Kentucky

My commission expires:
Sept. 29th, 1942

A COPY, Attest:

C. P. Heisen Clerk
By C. W. Grey D. C.

I, C. P. Heisen, Clerk of the County Court of Jefferson County in the State of Kentucky, do hereby certify that on this day at 10:00 A.M. the foregoing amended Articles of Incorporation were produced to me in my office, and that I, have recorded them, this, and the foregoing certificate in my said office.

Witness my hand this 29th day of May 1941
C. P. Heisen Clerk

Commonwealth of Kentucky

Department of State



Office of Secretary of State

CHARLES K. O'CONNELL, SECRETARY

ARTICLES OF AMENDMENT

I, CHARLES K. O'CONNELL, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

Louisville Gas and Electric Company

Louisville, Kentucky

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 22nd day

of September, 19 47.

Charles K. O'Connell

Secretary of State

H. V. Perdue

Chief Clerk, Corporation Department



SECRETARY OF STATE

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

At the regular annual meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 8th day of September, 1947, the Articles of Incorporation of said Company, as amended, were further amended by the affirmative vote of the holders of more than a majority of the voting power of all shareholders entitled to vote at said meeting, by the addition of Article Eleventh hereto, which Article Eleventh reads as follows:

"ELEVENTH: The authority to make, alter, and rescind by-laws is hereby expressly vested in the Board of Directors subject to the power of the holders of a majority of the stock of the Company having voting rights to change or repeal such by-laws."

IN TESTIMONY WHEREOF witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 9th day of September, 1947.

W.S. Wilson
President

ATTEST:

[Signature]
Secretary

STATE OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

Before me, a notary public in and for the State and County aforesaid, personally appeared T. B. Wilson and F. J. Pfeiffer, President and Secretary of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) who being duly sworn acknowledged the execution of the foregoing Articles of Amendment to the Articles of Incorporation of said Company to be their free act and deed as such officers thereof.

WITNESS MY HAND and notarial seal this 9th day of September, 1947.

My commission expires Sept. 10, 1949.

Clara S. Parze
Notary Public
Jefferson County, Kentucky

32196

Commonwealth of Kentucky

Department of State



Office of Secretary of State

GEORGE GLENN HATCHER, SECRETARY

CERTIFICATE OF AMENDMENT

I, GEORGE GLENN HATCHER, Secretary of State, do hereby certify that the triplicate originals of the articles of amendment of

Louisville Gas and Electric Company,

Louisville, Kentucky.

delivered to me are found to be duly signed and acknowledged according to law; that all taxes, fees and charges have been paid; and one original copy is filed and recorded in this office.

This certificate with two original articles of amendment indorsed with the face and time of recording in this office have been returned to the corporation. The amendment, certifying the time and manner of the adoption thereof, statement of the purposes of said amendment and the changes to be effected, signed and acknowledged according to law by the proper officials of said corporation, and the issuance of this certificate, is evidence of the fact that the above named corporation articles have been amended.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal. Done at Frankfort, this 11th day of September 19 18.



SECRETARY OF STATE

George Glenn Hatcher,
Secretary of State, Commonwealth of Kentucky

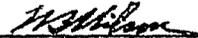
By S. L. Hayes
Clerk, Corporation Clerk

ARTICLES OF AMENDMENT TO
ARTICLES OF INCORPORATION OF
LOUISVILLE GAS AND ELECTRIC COMPANY

At the regular annual meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 13th day of September, 1948, Article Seventh of the Articles of Incorporation of said company, as amended, was further amended by the affirmative vote of the holders of more than a majority of the voting power of all shareholders entitled to vote at said meeting, so that Article Seventh, as amended, reads as follows:

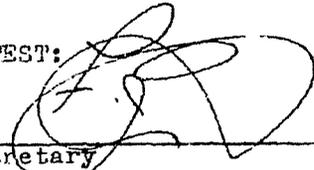
"SEVENTH: The business of the corporation shall be managed by a board of at least nine directors. The time and place of stockholders' meetings, the number, qualifications, manner of election, time and place of meeting, tenure of office and the powers and duties of the directors shall be prescribed by the by-laws of the company."

IN TESTIMONY WHEREOF witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 13th day of September, 1948.



President

ATTEST:



Secretary

STATE OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

Before me, a notary public in and for the State and county aforesaid, personally appeared T. E. Wilson and F. J. Pfeiffer, President and Secretary of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) who being duly sworn acknowledged the execution of the foregoing Articles of Amendment to the Articles of Incorporation of said Company to be their free act and deed as such officers thereof.

Witness my hand and notarial seal this 13th day of September, 1948.

My commission expires Sept. 10, 1949.

Clara S. Parr
Notary Public
Jefferson County, Kentucky

ORIGINAL COPY
FILED AND RECORDED

DATE SEP 14 1948

George H. H. H. H.
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY
BY S. L. L. L.

32196

Commonwealth of Kentucky

Department of State



Office of Secretary of State

THELMA L. STOVALL, SECRETARY

ARTICLES OF AMENDMENT

I, *THELMA L. STOVALL*, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

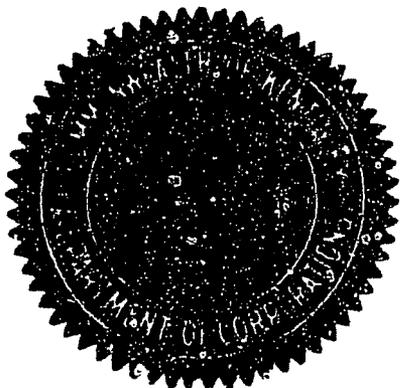
Louisville, Kentucky

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 5th day

of November, 1956.

Thelma L. Stovall
Secretary of State



SECRETARY OF STATE

Chief Clerk, Corporation Department

**ORIGINAL COPY
FILED AND RECORDED**

NOV 5 1956

LOUISVILLE GAS AND ELECTRIC COMPANY

Thelma L. Stovall

SECRETARY OF STATE OF KENTUCKY

FRANKFORT, KENTUCKY

Thelma L. Stovall
CHIEF CLERK

ARTICLES OF AMENDMENT

TO

ARTICLES OF INCORPORATION

At a special meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 5th day of November, 1956, the Articles of Incorporation of said Company, as amended, were further amended by the affirmative vote of the holders of more than a majority of the voting power of all stockholders entitled to vote at said meeting (including the affirmative vote of the holders of more than two-thirds of the Common Stock, without par value, with respect to increase in number of authorized shares of Common Stock of the Company), so that said Amended Articles of Incorporation, as so amended, read in their entirety as follows:

FIRST. The corporate name is

LOUISVILLE GAS AND ELECTRIC COMPANY.

SECOND. The principal office or place of business of the Company is in the City of Louisville, County of Jefferson, State of Kentucky.

THIRD. The nature of the business and the objects and purposes proposed to be transacted, promoted and carried on by the Company are to do within or without the State of Kentucky any and all of the things herein mentioned and set forth, as fully and to the same extent, to all intents and purposes, as natural persons might or could do, viz:

1. To manufacture, generate, buy, sell, accumulate, store, transmit, furnish and distribute electrical energy for light, heat, power and other purposes.
2. To construct, manufacture, buy, sell, mortgage, lease, let and operate power plants, generating stations and any and all machinery and appliances for the manufacture, generation, storage, accumulation, transmission, distribution and use of electrical energy and any and all manner of electrical machinery, apparatus and supplies of any nature and kind whatsoever.
3. To carry on a general business of electricians, mechanical engineers and suppliers of electricity for the purpose of light, heat and power or otherwise, and to install, erect and maintain and operate, sell or lease wires, cables and fixtures, both interior and exterior for the transmission and use of electrical energy and to manufacture and deal in all apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.
4. To buy, sell, mortgage, operate and lease pole lines, erect poles, string wires thereon and

on poles of individuals and corporations, on any and all streets, avenues, highways and roads of counties, townships, villages and cities and over and along all canals and other waterways, and over and across bridges and through tunnels and over and across all lands belonging to or controlled by individuals, corporations, counties, states, the national government or any governmental subdivision of the national government, and to use the same both as through lines and for local delivery for the transmission and distribution of electrical energy, and to sell and lease to other individuals or corporations the right to place electric wires on or attach electric wires to any or all poles so erected, owned or leased.

5. To build and construct, purchase and use for any of the purposes stated above, underground subways and conduits in such streets, avenues, highways, roads and under such canals and other waterways, and through any tunnels and under any public or private lands, and place electric wires and conductors therein, and to buy and lease from and sell and let to any individual or corporation the right to place and use as aforesaid electric wires or conductors in any such subways.

6. To manufacture, distribute and sell artificial gas for light, heat and power and other purposes, and also to sell the by-products and residual products therefrom and to construct or in any manner acquire and to maintain, operate and mortgage, sell and in any manner dispose of works therefor.

7. To mine for, produce, buy and in any manner acquire and to sell and distribute natural gas.

8. To construct, lay, purchase, or in any manner acquire, and to maintain and operate, and to sell, encumber, or in any manner dispose of pipe lines and gas mains for the sale, distribution and

pany or either of them or any part thereof. To aid, in any manner, any corporation or association, of which any bonds, evidences of indebtedness, stock or other securities, are held by the Company, and to do any other acts or things designed to protect, preserve, improve or enhance the value of such bonds, or evidences of indebtedness or other securities or stock.

23. In general, to carry on any other business in connection with the foregoing, whether manufacturing or otherwise, and to have and to exercise all the powers conferred by the laws of Kentucky. It is the intention that the objects specified in this Third Clause shall, except where otherwise expressed in said clause, be in no wise limited or restricted by reference to or inference from the terms of any other clause in this charter, but that the several objects specified in this clause shall be regarded as independent objects, nor shall anything in this clause be held to limit or restrict in any manner the powers of this Company.

FOURTH. The capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each and (b) ten million (10,000,000) shares of Common Stock without par value. The Preferred Stock shall be issued in series having the preferences, rights, qualifications and restrictions hereinafter provided for.

PREFERRED STOCK

(1) In addition to the series designated as 5% Cumulative Preferred Stock, \$25 Par Value, described in paragraphs (10) and (11) hereof, the Board of Directors is hereby authorized, subject to and in accordance with the provisions of paragraphs (1) to (9), inclusive, to cause Preferred Stock of the par value of \$25 per share to be issued in series, with such variations in respect thereof as may be determined by the Board of Directors prior to the issue thereof.

The shares of the Preferred Stock of different series may vary as to:

- (a) The distinctive serial designations and number of shares of such series;
- (b) The rate of dividends (within such limits as shall be permitted by law not exceeding 8% per annum) payable on the shares of the particular series;
- (c) The prices (not less than the amount limited by law) and terms upon which the

shares of the particular series may be redeemed; and

(d) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of all series of Preferred Stock shall in all other respects be identical.

(2) The holders of each series of the Preferred Stock at the time outstanding shall be entitled, *pari passu* with the holders of every other series of the Preferred Stock, to receive, but only when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, cumulative preferential dividends, at the annual dividend rate for the particular series fixed therefor as herein provided, payable quarterly in substantially equal amounts, on dates to be fixed in the by-laws, to stockholders of record on the respective dates, not exceeding thirty (30) days and not less than ten (10) days preceding such dividend payment dates, fixed for the purpose by the Board of Directors. No dividends shall be declared on any series of the Preferred Stock in respect of any quarter-yearly dividend period unless there shall likewise be declared on all shares of all other series of the Preferred Stock at the time outstanding, like proportionate dividends, ratably, in proportion to the respective annual dividend rates fixed therefor, in respect of the same quarter-yearly dividend period, to the extent that such shares are entitled to receive dividends for such quarter-yearly dividend period. The dividends on shares of all series of the Preferred Stock shall be cumulative. In the case of all shares of each particular series, the dividends on shares of such series shall be cumulative from the date of issue thereof unless the Company shall have established regular quarter-yearly dividend periods with respect to such series, in which case such dividends shall be cumulative from the first day of the current quarter-yearly dividend period in which shares of such series shall have been issued, so that unless dividends on all outstanding shares of each series of the Preferred Stock, at the annual dividend rate and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past quarter-yearly dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The

date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of any series of the Preferred Stock unless there shall likewise be paid at the same time to the holders of each other series of the Preferred Stock at the time outstanding, like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they are respectively entitled as herein provided. The holders of the Preferred Stock of any series shall not be entitled to receive any amounts with respect thereto upon any liquidation, dissolution or winding up of the Company other than as provided in this paragraph. Neither the consolidation or merger of the Company with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Company.

(5) Whenever the full dividends on all series of the Preferred Stock at the time outstanding for all past quarter-yearly dividend periods shall have been paid or declared and set apart for payment, then such dividends as may be determined by the Board of Directors may be declared and paid on the Common Stock or any other stock ranking junior to the Preferred Stock of each series, but only out of funds legally available for the payment of dividends; provided, however, that no dividend shall be declared or paid and no other distributions shall be made on the Common Stock or on any such other stock and no shares of the Common Stock or of any such other stock shall be purchased or otherwise acquired for value out of capital surplus arising from a reduction in capital.

(6) In the event of any liquidation, dissolution or winding up of the Company, all assets and funds of the Company remaining after paying or providing for the payment of all creditors of the Company and after paying or providing for the payment to the holders of all series of the Preferred Stock of the full distributive amounts to which they are respectively entitled as herein provided, shall be divided among and paid to the holders of the Common Stock or any other stock ranking junior to the Preferred Stock of each series, according to their respective rights and interests.

(7) (A) So long as any shares of the Preferred Stock of any series are outstanding, the Company shall not, without the affirmative vote

or written consent of the holders of at least two-thirds of the total number of shares of such Preferred Stock then outstanding:

Amend, alter, change or repeal any of the express terms of any series of the Preferred Stock then outstanding in a manner prejudicial to the holders thereof; provided, however, that if any such amendment, alteration, change or repeal shall be prejudicial to the holders of one or more, but not all, of the series of Preferred Stock at the time outstanding, only such consent of the holders of two-thirds of the total number of shares of all series so affected shall be required.

(B) So long as any shares of the Preferred Stock of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of a majority of the total number of shares of such preferred stock then outstanding:

(a) Create or authorize any class of stock ranking prior to or (other than a series of the 1,720,000 authorized shares of Preferred Stock) ranking on a parity with any series of the Preferred Stock as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock in excess of the initial 860,772 shares of 5% Cumulative Preferred Stock, \$25 Par Value, or of any class of stock ranking prior to or on a parity with the Preferred Stock of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on Preferred Stock or on any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; or

(c) Merge or consolidate with or into any other corporation or corporations, unless such

dividends accumulated but unpaid thereon, shall be:

\$27.25 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 5% Cumulative Preferred Stock, \$25 Par Value then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

COMMON STOCK
(Without par value)

The Board of Directors is hereby authorized to cause shares of Common Stock, without par value, to be issued from time to time for such consideration as may be fixed from time to time by the Board of Directors, or by way of stock split pro rata to the holders of the Common Stock. The Board of Directors may also determine the proportion of the proceeds received from the sale of such stock which shall be credited upon the books of the Company to Capital or Capital Surplus.

Each share of the Common Stock shall be equal in all respects to every other share of the Common Stock.

No holder of shares of Common Stock shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services or otherwise.

FIFTH. The Company shall commence business as soon as authorized as provided by law and shall continue for a period of nine hundred ninety-nine (999) years from July 2, 1913.

SIXTH. The business of the Company shall be managed by a board of at least nine directors. The time and place of stockholders' meetings, the number, qualifications, manner of election, time and place of meeting, tenure of office and the powers and duties of the directors shall be prescribed by the by-laws of the Company.

SEVENTH. The private property of the stockholders of the Company shall not be subject to the payment of corporate debts.

EIGHTH. The authority to make, alter, and rescind by-laws is hereby expressly vested in the Board of Directors subject to the power of the holders of a majority of the stock of the Company having voting rights to change or repeal such by-laws.

IN TESTIMONY WHEREOF witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 5th day of November, 1956.

(CORPORATE SEAL)

ATTEST:

W. J. Glover
W. J. GLOVER
Secretary

T. B. Wilson
T. B. WILSON
President

STATE OF KENTUCKY }
COUNTY OF JEFFERSON } ss

Before me, a notary public in and for the state and county aforesaid, personally appeared T. B. Wilson and W. J. Glover, President and Secretary, respectively, of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) who being duly sworn acknowledged the execution of the foregoing Articles of Amendment to the Articles of Incorporation of said Company to be their free act and deed as such officers thereof.

Witness my hand and notarial seal this 5th day of November, 1956.
My commission expires September 10, 1957.

Clara S. Parr
CLARA S. PARR
Notary Public
Jefferson County, Kentucky

(NOTARIAL SEAL)

Commonwealth of Kentucky

Department of State



Office of Secretary of State

HENRY H. CARTER, SECRETARY

ARTICLES OF AMENDMENT

I, HENRY H. CARTER, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

Louisville, Kentucky

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

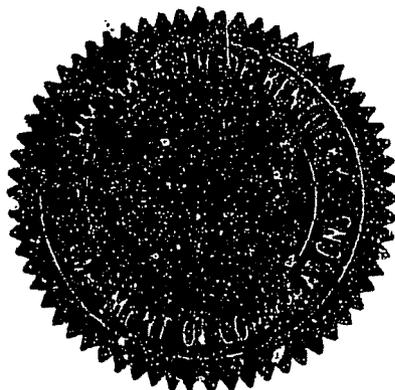
Witness my official signature this 9th day

of May, 1962.
Henry H. Carter

Secretary of State

A. L. Lyon

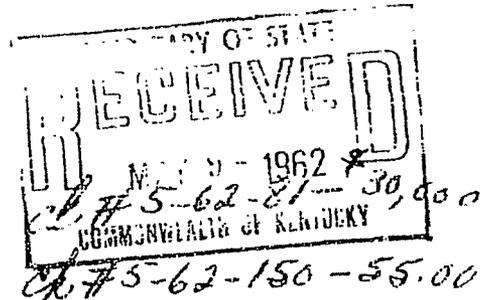
Assistant Secretary of State



SECRETARY OF STATE

LOUISVILLE GAS AND ELECTRIC COMPANY

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION



At the regular annual meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 8th day of May, 1962, the Articles of Incorporation of said Company, as amended, were further amended by the affirmative vote of the holders of more than a majority of the voting power of all shareholders entitled to vote at said meeting (including the affirmative vote of the holders of more than two-thirds of the Common Stock, without par value), by the amendment of Article Fourth thereto, which Article Fourth, as amended, reads as follows:

"FOURTH. The Capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each and (b) twenty five million (25,000,000) shares of Common Stock, without par value. The Preferred Stock shall be issued in series having the preferences, rights, qualifications, and restrictions hereinafter provided for."

IN TESTIMONY WHEREOF witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 9th day of May, 1962.


President

ATTEST:


Secretary

STATE OF KENTUCKY)
COUNTY OF JEFFERSON) 33

Before me, a notary public in and for the State and County aforesaid, personally appeared G. R. Armstrong and W. J. Glover, President and Secretary of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) who being duly sworn acknowledged the execution of the foregoing Articles of Amendment to the Articles of Incorporation of said Company to be their free act and deed as such officers thereof.

WITNESS MY HAND and notarial seal this 9th day of May, 1962.

My commission expires September 10, 1965.

Clara S. Parr
Notary Public
Jefferson County, Kentucky

ORIGINAL COPY
FILED AND RECORDED

Henry H. Carter

MAY 9, 1962

SECRETARY OF STATE OF KENTUCKY

FRANKFORT, KENTUCKY

BY A. J. Lynn
ASSISTANT SECRETARY OF STATE

32196✓

Commonwealth of Kentucky

Department of State



Office of Secretary of State

ELMER BEGLEY, SECRETARY

ARTICLES OF AMENDMENT

I, *ELMER BEGLEY*, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

LOUISVILLE CAR AND TRUCK CO. INC. BEGLEY

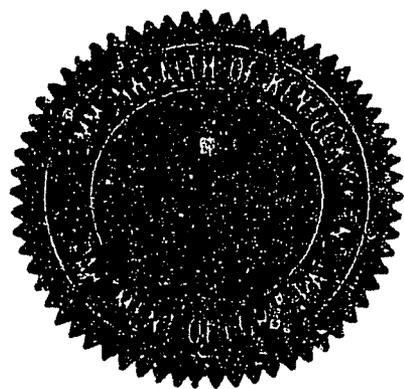
LOUISVILLE, KENTUCKY

have been amended pursuant to Articles of Amendment, duly signed and acknowledged according to law, this day filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.

Witness my official signature this 15th day of Aug, 1930.

Elmer Begley
Secretary of State

Mary P. Harvey
Assistant Secretary of State



SECRETARY OF STATE

LOUISVILLE GAS AND ELECTRIC COMPANY

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION

SECRETARY OF STATE
RECEIVED
MAY 15 1969
Commonwealth of Kentucky

At the regular annual meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 13th day of May, 1969, the Articles of Incorporation of said Company, as amended, were further amended by the affirmative vote of a majority of the voting power of all stockholders entitled to vote, and the affirmative vote of the holders of two-thirds of the Preferred Stock, voting as a class, by the amendment of subdivision 7(C) of Article Fourth thereto, which subdivision 7(C) of Article Fourth, as amended, reads in its entirety as follows:

"7(C) So long as any shares of the Preferred Stock of any series are outstanding, the Company shall not without written consent of the holders of a majority of the total number of shares of such Preferred Stock then outstanding or, in the alternative and subject to the proviso hereinafter set forth in this subdivision 7(C), the affirmative vote of the holders of a majority of total number of the shares of such Preferred Stock which are represented, by the attendance of the holders thereof in person or by proxy, at a meeting duly called for the purpose:

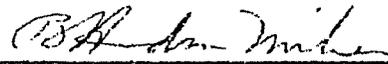
Issue or assume any unsecured notes, debentures or other securities representing unsecured indebtedness for any purpose other than (1) the refunding of outstanding unsecured securities theretofore issued or assumed by the Company or (2) the redemption or other retirement of outstanding shares of one or more series of the Preferred Stock if, immediately after such issue or assumption, the total principal amount of all unsecured notes, debentures or other unsecured securities representing unsecured indebtedness issued or assumed by the Company and then outstanding (including unsecured securities then to be issued or assumed but excluding unsecured securities

theretofore consented to by the holders of such Preferred Stock) will exceed 20% of the sum of (i) the total principal amount of all bonds or other securities representing secured indebtedness issued or assumed by the Company and then to be outstanding, and (ii) the capital and surplus of the Company as then to be stated on the books of account of the Company.

Provided, however, that if, at any such meeting, at least one-third of all shares of such Preferred Stock then outstanding shall be voted against the action then proposed, of the character aforesaid, such action may be taken only with the affirmative vote of a majority of all shares of such Preferred Stock then outstanding.

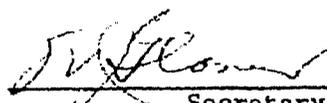
If at any meeting of such Preferred Stock for the purpose of taking action on matters set forth in this subdivision 7(C), the presence in person or by proxy of the holders of a majority of such stock shall not have been obtained and shall not be obtained for a period of thirty days from the date of such meeting, the presence in person or by proxy of the holders of one-third of such stock then outstanding shall be sufficient to constitute a quorum.

IN TESTIMONY WHEREOF witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 14th day of May, 1969.



President

ATTEST:



Secretary

STATE OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

Before me, a notary public in and for the State and County aforesaid, personally appeared B. Hudson Milner and W. J. Glover, President and Secretary of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) who being duly sworn acknowledged the execution of the foregoing Articles of Amendment to the Articles of Incorporation of said Company to be their free act and deed as such officers thereof.

WITNESS MY HAND and notarial seal this 14th day of May, 1969.

My commission expires April 11, 1971.

Patte E. Morrison
Notary Public, Kentucky State at Large

THIS INSTRUMENT PREPARED BY
EDWIN G. MIDDLETON
501 SO. SECOND STREET
LOUISVILLE 2, KY.

Edwin G. Middleton
ATTORNEY-AT-LAW

ORIGINAL COPY
FILED AND RECORDED

James B. Egley

MAY 15 1969

SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY
BY Mary P. Helms
ASSISTANT SECRETARY OF STATE

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

THELMA L. STOVALL
Secretary



FRANKFORT,
KENTUCKY

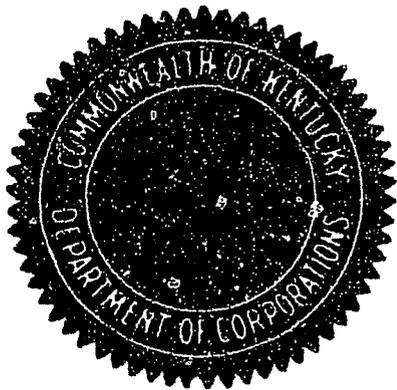
ARTICLES OF AMENDMENT

I, *THELMA L. STOVALL*, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY Louisville, Kentucky

Establishing and designating an additional series of shares of
cumulative preferred stock

amended pursuant to Kentucky Revised Statutes, 271A, duly signed and acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 3rd day of April, 19 73.

Thelma L. Stovall

SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

STATEMENT
PURSUANT TO KRS 271A.080
RE 7.45% CUMULATIVE
PREFERRED STOCK
PAR VALUE \$25 PER SHARE
OF
LOUISVILLE GAS AND ELECTRIC COMPANY
(A KENTUCKY CORPORATION)

SECRETARY OF STATE

RECEIVED
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APR 4 - 1973

KNOW ALL MEN BY THESE PRESENTS:

Commonwealth of Kentucky
100 85

Pursuant to the provisions of KRS 271A.080 the undersigned corporation submits the following statement for the purpose of establishing and designating an additional series of shares of cumulative preferred stock of the corporation and determining the relative rights and preferences or so much thereof as shall not be fixed and determined by the Articles of Amendment to the Articles of Incorporation, as amended:

(a) The name of the corporation is LOUISVILLE GAS AND ELECTRIC COMPANY.

(b) The following resolution establishing and designating an additional series of shares of such preferred stock and fixing and determining the relative rights and preferences thereof to the extent that the Articles of Amendment to the Articles of Incorporation, as amended, shall not have fixed and determined the variations in the relative rights and preferences as between series, was duly adopted by the Board of Directors of the corporation at a meeting, duly called and held on April 2, 1973, at which a quorum was present and acting throughout:

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That an additional series consisting of 859,228 shares of the Preferred Stock of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock, par value \$25 per share, of the Company; said series, and each share thereof, shall be designated "7.45% Cumulative Preferred Stock"; and all of said eight hundred fifty-nine thousand two hundred twenty-eight (859,228) shares of said series are hereby authorized to be issued by the Company;

(2) That the rate of dividend payable in respect of each share of said series shall be seven and forty five hundredths per centum (7.45%) per annum on the par value of such share; the initial dividend in respect of such share of said series shall be payable on July 16, 1973, when and as declared by the Board of Directors of this Company, to holders of record on June 29, 1973, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$27.50 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to April 15, 1978; \$26.75 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to April 15, 1978, and prior to April 15, 1983; \$26.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to April 15, 1983, and prior to April 15, 1988; and \$25.75 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to April 15, 1988; provided, that none of the shares of said series may be redeemed by the Company prior to April 15, 1978, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$25.50 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary

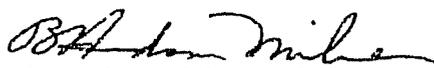
liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 7.45% Cumulative Preferred Stock, \$25 par value, then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or \$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

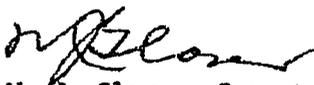
(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock of the Company.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said 7.45% Cumulative Preferred Stock, the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

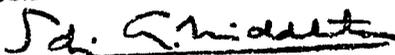
Dated: April 3, 1973

LOUISVILLE GAS AND ELECTRIC COMPANY

By 
B. Hudson Milner, President

and 
W. J. Glover, Secretary

THIS INSTRUMENT PREPARED BY
EDWIN G. MIDDLETON
501 SO. SECOND STREET
LOUISVILLE 2, KY.


ATTORNEY-AT-LAW

(SEAL)

State of Kentucky)
)
County of Jefferson)

Before me, a Notary Public in and for the State and County aforesaid, personally appeared B. Hudson Milner and W. J. Glover, who being duly sworn declared that they are President and Secretary, respectively, of Louisville Gas and Electric Company (a corporation organized under the laws of Kentucky) and acknowledged the execution of the foregoing Statement to be their free and voluntary act and deed and the free and voluntary act and deed of the said corporation, and that the statements therein contained are true.

Witness my hand and notarial seal this 3rd day of April, 1973.

My commission expires on October 4, 1975.

Philomena Del Grande

Philomena Del Grande
Notary Public
State of Kentucky-at-Large

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SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

APR 3 1973

Thomas P. Stovace
SECRETARY OF STATE
St

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

THELMA L. STOVALL
Secretary



FRANKFORT,
KENTUCKY

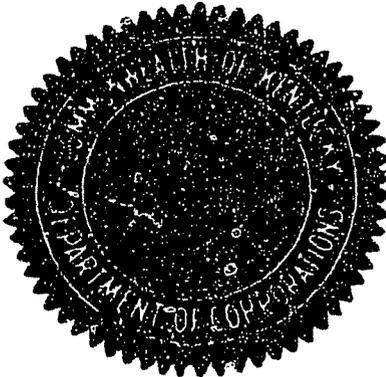
ARTICLES OF AMENDMENT

I, **THELMA L. STOVALL**, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

LOUISVILLE, KENTUCKY

amended pursuant to Kentucky Revised Statutes, 271A, duly signed and acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

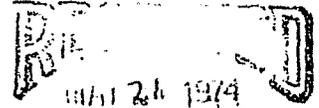
Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 21ST day of MAY, 19 74.

SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

LOUISVILLE GAS AND ELECTRIC COMPANY

SECRETARY OF STATE



ARTICLES OF AMENDMENT

TO

Commonwealth of Kentucky

ARTICLES OF INCORPORATION

~~0-1800-15~~

At the regular annual meeting of the stockholders of Louisville Gas and Electric Company, a Kentucky corporation, held on the 14th day of May, 1974, the Articles of Incorporation of said Company, as amended, were further amended by the affirmative vote of holders of a majority of the Common Stock entitled to vote, and the affirmative vote of the holders of two-thirds of the Preferred Stock entitled to vote, each class voting separately, by the amendment of Article Fourth thereto, which Article Fourth, as amended, reads in its entirety as follows:

FOURTH. The Capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each, and (b) one million five hundred thousand (1,500,000) shares of Preference Stock, without par value (the aggregate stated value thereof not to exceed \$105,000,000), and (c) twenty-five million (25,000,000) shares of Common Stock without par value. The Preferred Stock and the Preference Stock shall be issued in series having the preferences, rights, qualifications and restrictions hereinafter provided for.

PREFERRED STOCK AND PREFERENCE STOCK

(1) In addition to the series of Cumulative Preferred Stock, described in paragraphs (10) through (13) hereof, the Board of Directors is hereby authorized, subject to and in accordance with the provisions of paragraphs (1) through (9), inclusive, to cause Preference Stock, without par value, to be issued in series, each such series to have such variations in respect thereof as may be determined by the Board of Directors prior to the issuance thereof.

The shares of the Preferred Stock of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The rate of dividends (within such limits as shall be permitted by law not exceeding 8% per annum) payable on the shares of the particular series;

(c) The prices (not less than the amount limited by law) and terms upon which the shares of the particular series may be redeemed; and

(d) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of the Preference Stock of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The stated value thereof;

(c) The rate of dividends (within such limits as shall be permitted by law) payable on the shares of the particular series;

(d) The prices (not less than the amount limited by law) and terms (including sinking fund provisions) upon which the shares of the particular series may be redeemed; and

(e) the amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of all series of Preferred Stock and Preference Stock shall in all other respects be identical, except that the Preference Stock shall not have the voting rights of the Preferred Stock provided by paragraph 9 (A) hereof.

(2) The holders of each series of the Preferred Stock and the Preference Stock at the time outstanding shall be entitled, pari passu with the holders of every other series of the Preferred Stock and the Preference Stock, to receive, but only when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, cumulative preferential dividends, at the annual dividend rate for the particular series fixed therefor as herein provided, payable quarter-yearly in substantially equal amounts, on dates to be fixed in the by-laws, to stockholders of record on the respective dates, not exceeding thirty (30) days and not less than ten (10) days preceding such dividend payment dates, fixed for the purpose by the Board of Directors. No dividends shall be declared on any series of the Preferred Stock or the Preference Stock in respect of any quarter-yearly dividend period unless there shall likewise be declared on all shares of all other series of the Preferred Stock and the Preference Stock at the time outstanding, like proportionate dividends, ratably, in proportion to the respective annual dividend rates fixed therefor, in respect of the same quarter-yearly dividend period, to the extent that such shares are entitled to receive dividends for such quarter-yearly dividend period. The dividends on shares of all series of the Preferred Stock and the Preference Stock shall be cumulative. In the case of all shares of each particular series, the dividends on shares of such series shall be cumulative from the date of issue thereof unless the Company shall have established regular quarter-yearly dividend periods with respect to such series, in which case such dividends shall be cumulative from the first day of the current quarter-yearly dividend period in which shares of such series shall have been issued, so that unless dividends on all outstanding shares of each series of the Preferred

Stock and the Preference Stock, at the annual dividend rate and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past quarter-yearly dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The holders of the Preferred Stock and the Preference Stock of any series shall not be entitled to receive any dividends thereon other than the dividends referred to in this paragraph (2).

(3) The Company, by action of its Board of Directors, may redeem the whole or any part of any series of the Preferred Stock or the Preference Stock, at any time or from time to time, by paying in cash the redemption price of the shares of the particular series, fixed therefor as herein provided, together with a sum in the case of each share of each series so to be redeemed, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for such redemption, less the aggregate of the dividends theretofore or on such redemption date paid thereon. Notice of every such redemption shall be given by publication at least once in one daily newspaper printed in the English language and of general circulation in Louisville, Kentucky, the first publication in such newspaper to be at least thirty (30) days prior to the date fixed for such redemption. At least thirty (30) days' previous notice of every such redemption shall also be mailed to the holders of record of the shares of the Preferred Stock or the Preference Stock so to be redeemed, at their respective addresses as the same shall appear on the books of the Company; but no failure to mail such notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Preferred Stock or the Preference Stock so to be redeemed. In case of redemption of a part only of any series of the Preferred Stock or the Preference Stock at the time outstanding, the Board of Directors shall fix and determine the stock to be so redeemed either by lot or by redemption pro rata or by designation of particular shares for redemption or in any other manner the Board of Directors may see fit. The Board of Directors shall have full power and authority, subject to the limitations and provisions herein contained, to prescribe the manner in which, and the terms and conditions upon which, the shares of the Preferred Stock or the Preference Stock shall be redeemed from time to time. If such notice of redemption shall have been duly given by publication, and if on or before the redemption date specified in such notice all funds necessary for such redemption shall have been set aside by the Company, separate and apart from its other funds, in trust for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, then, notwithstanding that any certificate for such shares so called for redemption shall not have been surrendered for cancellation, from and after the date fixed for redemption, the shares represented thereby shall no longer be deemed outstanding, the right to receive dividends thereon shall cease to accrue and all rights with respect to such shares so called for redemption shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive out of the funds so set aside in trust, the amount payable upon redemption thereof, without interest; provided, however, that the Company may, after giving notice by publication of any such redemption as hereinbefore provided or after giving to the bank or trust company hereinafter referred to irrevocable authorization to give such notice by publication, and at any time prior to the redemption date specified

in such notice, deposit in trust, for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, funds necessary for such redemption with a bank or trust company in good standing, organized under the laws of the United States of America or of the Commonwealth of Kentucky or of the State of New York doing business in the City of Louisville, or in the Borough of Manhattan, The City of New York, and having capital, surplus and undivided profits aggregating at least \$1,000,000, designated in such notice of redemption, and, upon such deposit in trust, all shares with respect to which such deposit shall have been made shall no longer be deemed to be outstanding, and all rights with respect to such shares shall forthwith cease and terminate, except only the right of the holders thereof to receive at any time from and after the date of such deposit, the amount payable upon the redemption thereof, without interest.

(4) Before any amount shall be paid to, or any assets distributed among, the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preference Stock of each series, upon any liquidation, dissolution or winding up of the Company, and after paying or providing for the payment of all creditors of the Company, the holders of each series of the Preferred Stock and the Preference Stock at the time outstanding shall be entitled, pari passu with the holders of every other series of the Preferred Stock and the Preference Stock, to be paid in cash the amount for the particular series fixed therefor as herein provided, together with a sum in the case of each share of each series, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of any series of the Preferred Stock or the Preference Stock unless there shall likewise be paid at the same time to the holders of each other series of the Preferred Stock and the Preference Stock at the time outstanding, like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they are respectively entitled as herein provided. The holders of the Preferred Stock and the Preference Stock of any series shall not be entitled to receive any amounts with respect thereto upon any liquidation, dissolution or winding up of the Company other than as provided in this paragraph. Neither the consolidation or merger of the Company with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Company.

(5) Whenever the full dividends on all series of the Preferred Stock and the Preference Stock at the time outstanding for all past quarter-yearly dividend periods shall have been paid or declared and set apart for payment, then such dividends as may be determined by the Board of Directors may be declared and paid on the Common Stock or any other stock ranking junior to the Preferred Stock and the Preference Stock of each series, but only out of funds legally available for the payment of dividends; provided, however, that no dividend shall be declared or paid and no other distributions shall be made on the Common Stock or on any such other stock and no shares of the Common Stock or of any such other stock shall be purchased or otherwise acquired for value out of capital surplus arising from a reduction in capital.

(6) In the event of any liquidation, dissolution or winding up of the Company, all assets and funds of the Company remaining after paying or providing for the payment of all creditors of the Company and after paying or providing for the payment to the holders of all series of the Preferred Stock and the Preference Stock of the full distributive amounts to which they are respectively entitled as herein provided, shall be divided among and paid to the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preference Stock of each series, according to their respective rights and interests.

(7) (A) So long as any shares of the Preferred Stock or the Preference Stock of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of at least two-thirds of the total number of shares of such Preferred Stock and Preference Stock then outstanding:

Amend, alter, change or repeal any of the express terms of any series of the Preferred Stock or the Preference Stock then outstanding in a manner prejudicial to the holders thereof; provided, however, that if any such amendment, alteration, change or repeal shall be prejudicial to the holders of one or more, but not all, of the series of Preferred Stock or the Preference Stock at the time outstanding, only such consent of the holders of two-thirds of the total number of shares of all series so affected shall be required.

(B) So long as any shares of the Preferred Stock or the Preference Stock of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preference Stock then outstanding:

(a) Create or authorize any class of stock ranking prior to or (other than a series of the 1,720,000 authorized shares of Preferred Stock or 1,500,000 authorized shares of Preference Stock) ranking on a parity with any series of the Preferred Stock and the Preference Stock as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock or the Preference Stock, or of any class of stock ranking prior to or on a parity with the Preferred Stock and the Preference Stock of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on the Preferred Stock, the Preference Stock and any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock, all Preference Stock, and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; or

(c) Merge or consolidate with or into any other corporation or corporations, unless such merger or consolidation, or the issuance or assumption of all securities, to be issued or assumed in connection with any such merger or consolidation, shall have been ordered, approved, or permitted by the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935 or by any successor commission or regulatory authority of the United States of America having jurisdiction in the premises; provided that the provisions of this clause (c) shall not apply to a purchase or other acquisition by the Company of franchises or assets of another corporation in any manner which does not involve a merger or consolidation.

(C) So long as any shares of the Preferred Stock or Preference Stock of any series are outstanding, the Company shall not without written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preference Stock then outstanding or, in the alternative and subject to the proviso hereinafter set forth in this subdivision 7 (C), the affirmative vote of the holders of a majority of the total number of the shares of such Preferred Stock and Preference Stock which are represented, by the attendance of the holders thereof in person or by proxy, at a meeting duly called for the purpose:

Issue or assume any unsecured notes, debentures or other securities representing unsecured indebtedness for any purpose other than (1) the refunding of outstanding unsecured securities theretofore issued or assumed by the Company, (2) the financing of pollution control facilities (as defined in the Internal Revenue Code, as amended or as hereafter amended, and the regulations and rulings thereunder) through the issuance or assumption of unsecured notes, debentures or other securities representing unsecured indebtedness the receipt of interest on which is exempt from federal income tax at the time of such issuance or assumption, or (3) the redemption or other retirement of outstanding shares of one or more series of the Preferred Stock or Preference Stock if, immediately after such issuance or assumption, the total principal amount of all unsecured notes, debentures or other unsecured securities representing unsecured indebtedness issued or assumed by the Company and then outstanding (including unsecured securities then to be issued or assumed but excluding unsecured securities theretofore consented to by the holders of such Preferred Stock and Preference Stock) will exceed 20% of the sum of (i) the total principal amount of all bonds or other securities representing secured indebtedness issued or assumed by the Company and then to be outstanding, and (ii) the capital and surplus of the Company as then to be stated on the books of account of the Company.

Provided, however, that if, at any such meeting, at least one-third of all shares of such Preferred Stock and Preference Stock then outstanding shall be voted against the action then proposed, of the character aforesaid, such action may be taken only with the affirmative vote of a majority of all shares of such Preferred Stock and Preference Stock then outstanding.

If at any meeting of such Preferred Stock and Preference Stock for the purpose of taking action on matters set forth in this subdivision 7(C), the presence in person or by proxy of the holders of a majority of such stock shall not have been obtained and shall not be obtained for a period of thirty days from the date of such meeting, the presence in person or by proxy of the holders of one-third of such stock then outstanding shall be sufficient to constitute a quorum.

(8) No holder of shares of Preferred Stock or Preference Stock shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services, by way of dividends, or otherwise.

(9) (A) Every holder of Preferred Stock of any series shall have one vote for each share of such Preferred Stock held by him, and every holder of the Common Stock shall have one vote for each share of Common Stock held by him, for the election of Directors and upon all other matters, except as otherwise provided in this paragraph (9) hereof. At all elections of directors, any stockholder may vote cumulatively. The foregoing shall not modify or affect the special votes and consents provided for in paragraph (7) hereof.

(B) If and when dividends shall be in default in an amount equivalent to six (6) full quarter-yearly dividends on all shares of all series of the Preferred Stock and the Preference Stock at the time outstanding, and until all dividends in default on such Preferred Stock and such Preference Stock shall have been paid, the holders of all shares of the Preferred Stock and all shares of the Preference Stock, voting separately as one class, shall be entitled to elect the smallest number of Directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Stock, voting separately as a class, shall be entitled to elect the remaining Directors of the Company. At all elections of directors held pursuant to this subdivision 9 (B), any stockholder may vote cumulatively. The terms of office of all persons who may be Directors of the Company at the time shall terminate upon the election of a majority of the Board of Directors by the holders of the Preferred Stock and the Preference Stock, whether or not the holders of the Common Stock shall then have elected the remaining Directors of the Company.

(C) If and when all dividends then in default on the Preferred Stock and the Preference Stock at the time outstanding shall be paid (and such dividends shall be declared and paid, or declared and funds set aside for that purpose out of any funds legally available therefor as soon as reasonably practicable), the Preferred Stock and the Preference Stock shall thereupon be divested of any special right with respect to the election of Directors provided in subparagraph (B) hereof, and the voting power of the Preferred Stock, the Preference Stock and the Common Stock shall revert to the status existing before the occurrence of such default; but always subject to the same provisions for vesting such special rights in the Preferred Stock and the Preference Stock in case of further like default or defaults in dividends thereon.

(D) In case of any vacancy in the Board of Directors occurring among the Directors elected by the holders of the Preferred Stock and the Preference Stock, as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Preferred Stock and the Preference Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In case of a vacancy in the Board of Directors occurring among the Directors elected by the holders of the Common Stock, as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Common Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In all other cases, any vacancy occurring among the Directors shall be filled by the vote of a majority of the remaining Directors.

(E) At all meetings of stockholders held for the purpose of electing directors during such times as the holders of shares of the Preferred Stock and the Preference Stock shall have the special right, voting separately as one class, to elect directors pursuant to subparagraph (B) hereof, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Common Stock shall be required to constitute a quorum of such class for the election of directors, and the presence in person or by proxy of the holders of Preferred Stock and Preference Stock entitled to cast a majority of all the votes to which the holders of the Preferred Stock and the Preference Stock are entitled, shall be required to constitute a quorum of such class for the election of directors; provided, however, that the absence of a quorum (according to votes, as aforesaid) of the holders of stock of any such class shall not prevent the election at any such meeting or adjournment thereof of directors by the other such class if such quorum of the holders of stock of such other class is present in person or by proxy at such meeting; and provided further that in the absence of such quorum of the holders of stock of any such class, a majority (according to votes, as aforesaid) of those holders of the stock of such class who are present in person or by proxy shall have power to adjourn the election of the directors to be elected by such class from time to time without notice other than announcement at the meeting until the holders of the requisite number of shares of such class shall be present in person or by proxy.

(F) Except when some mandatory provision of law shall be controlling and except as otherwise provided in paragraph (7) hereof whenever shares of two or more series of the Preferred Stock or of the Preference Stock are outstanding, no particular series shall be entitled to vote as a separate series on any matter and all shares of the Preferred Stock and the Preference Stock shall be deemed to constitute but one class for any purpose for which a vote of the stockholders of the Company by classes may now or hereafter be required.

5% CUMULATIVE PREFERRED STOCK, \$25 PAR VALUE

(10) The Company has classified \$21,519,300 par value of the Preferred Stock as a series of such Preferred Stock designated as "5% Cumulative Preferred Stock, \$25 Par Value," consisting of 860,772 shares of the par value of \$25 per share.

(11) The preferences, rights, qualifications and restrictions of the shares of the "5% Cumulative Preferred Stock, \$25 Par Value," shall be as follows:

(a) The annual dividend rate for such series shall be 5% per annum;

(b) The redemption price for such series shall be \$28.00 per share; and

(c) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be:

\$27.25 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 5% Cumulative Preferred Stock, \$25 Par Value then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

7.45% CUMULATIVE PREFERRED STOCK, PAR VALUE \$25 PER SHARE

(12) The Company has classified \$21,480,700 Par Value of the Preferred Stock as a series of such Preferred Stock designated as "7.45% Cumulative Preferred Stock, Par Value \$25 per share," consisting of 859,228 shares with par value of \$25 per share.

(13) The preferences, rights, qualifications and restrictions of the shares of the "7.45% Cumulative Preferred Stock, Par Value \$25 per share," shall be as follows:

(a) The annual dividend rate for such series shall be 7.45% per annum;

(b) The redemption price for such series will be \$27.50 per share prior to April 15, 1978; \$26.75 per share thereafter and prior to April 15, 1983; \$26.00 per share thereafter and prior to April 15, 1988; and \$25.75 per share thereafter. However, no shares of such series may be redeemed prior to April 15, 1978 from proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equal or prior to the stock of such series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of the stock of such series; and

(c) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be:

\$25.50 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 7.45% Cumulative Preferred Stock, Par Value \$25 per share, then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

COMMON STOCK
(Without par value)

The Board of Directors is hereby authorized to cause shares of Common Stock, without par value, to be issued from time to time for such consideration as may be fixed from time to time by the Board of Directors, or by way of stock split pro rata to the holders of the Common Stock. The Board of Directors may also determine the proportion of the proceeds received from the sale of such stock which shall be credited upon the books of the Company to Capital or Capital Surplus.

Each share of the Common Stock shall be equal in all respects to every other share of the Common Stock.

No holder of shares of Common Stock shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services or otherwise.

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

DREXELL R. DAVIS
Secretary



FRANKFORT,
KENTUCKY

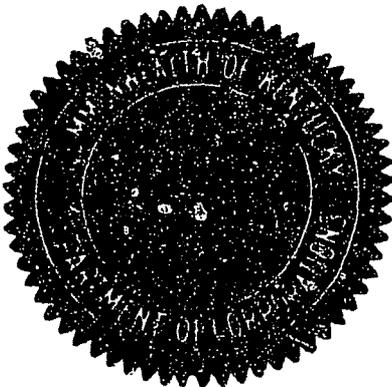
CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, DREXELL R. DAVIS, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Amended Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

LOUISVILLE, KENTUCKY

amended pursuant to Kentucky Revised Statutes, 271A, (~~2973~~) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 12TH day of MAY, 19 76.

Drexell R. Davis
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

LOUISVILLE GAS AND ELECTRIC COMPANY

ORIGINAL COPY
FILED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

15
MAY 12 1976

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION

Draper Davis
SECRETARY OF STATE
JP

19168

At the regular annual meeting of the stockholders of
Louisville Gas and Electric Company, a Kentucky corporation, *19168*
held on the 11th day of May, 1976, the Articles of Incorporation
of said Company, as amended, were further amended by
the affirmative vote of the holders of a majority of the
shares entitled to vote thereon as follows:

Article Fourth of the Articles of Incorporation
is hereby amended by the substitution of the term
"Preferred Stock (without par value)" for the term
"Preference Stock" wherever the latter term appears
in such Article Fourth.

IN TESTIMONY WHEREOF, witness the signatures of the duly
qualified officers of Louisville Gas and Electric Company this
11th day of May, 1976.

ATTEST:

[Signature]
Secretary

[Signature]
President

SECRETARY OF STATE
RECEIVED

MAY 19 1976

Cash #15
Commonwealth of Kentucky

STATE OF KENTUCKY)
)
COUNTY OF JEFFERSON)

I, Linda C. Parrish, a Notary Public, do hereby certify that on this 11th day of May, 1976, personally appeared before me B. Hudson Milner and W. W. Hancock, Jr., who, being by me first duly sworn, declared that they are President and Secretary, respectively, of the Louisville Gas and Electric Company, that they signed the foregoing document as President and Secretary, respectively, of the corporation, and that the statements therein contained are true.

Linda C. Parrish
Notary Public, State at Large

My Commission expires 30th day of March, 1979.

This instrument prepared by
Edwin C. Middleton
501 So. Second Street
Louisville, Ky. 40202

Edwin C. Middleton
Attorney-at-Law

✓ 32196

SECRETARY OF STATE
RECEIVED
JUN 25 1976
Asht
Commonwealth of Kentucky
23588

STATEMENT
PURSUANT TO KRS 271A.080
RE 250,000 SHARES \$8.72 CUMULATIVE
PREFERRED STOCK
(WITHOUT PAR VALUE)
OF
LOUISVILLE GAS AND ELECTRIC COMPANY
(A KENTUCKY CORPORATION)

23588

KNOW ALL MEN BY THESE PRESENTS:

Pursuant to the provisions of KRS 271A.080 the undersigned corporation submits the following statement for the purpose of establishing and designating a series of shares of cumulative preferred stock of the corporation and determining the relative rights and preferences or so much thereof as shall not be fixed and determined by the Articles of Amendment to the Articles of Incorporation, as amended:

(a) The name of the corporation is LOUISVILLE GAS AND ELECTRIC COMPANY.

(b) The following resolution establishing and designating a series of shares of such preferred stock and fixing and determining the relative rights and preferences thereof, to the extent that the Articles of Amendment to the Articles of Incorporation, as amended, shall not have fixed and determined the variations in the relative rights and preferences as between series, was duly adopted by the Board of Directors of the corporation at a meeting, duly called and held on June 14, 1976, at which a quorum was present and acting throughout:

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$8.72 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$8.72 ; the initial dividend in respect of such share of said series shall be payable on October 15, 1976, when and as declared by the Board of Directors of this Company, to holders of record on September 30, 1976, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$108.72 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to July 1, 1981; \$105.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1981, and prior to July 1, 1986; \$103.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1986, and prior to July 1, 1991; and \$101.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1991; provided, that none of the shares of said series may be redeemed by the Company prior to July 1, 1981, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$8.72 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

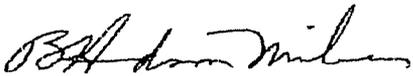
(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

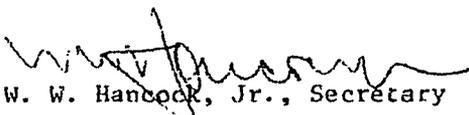
(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$ 8.72 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

Dated: June 24, 1976

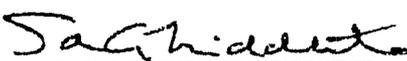
LOUISVILLE GAS AND ELECTRIC COMPANY

By 
B. Hudson Milner, President

and 
W. W. Hancock, Jr., Secretary

(SEAL)

This instrument prepared by
Edwin G. Middleton
501 South Second Street
Louisville, Kentucky 40202


Attorney-At-Law

COMMONWEALTH OF KENTUCKY))
) SS
COUNTY OF JEFFERSON))

I, Linda C. Parrish, a notary public, do hereby certify that on this 24th day of June, 1976, personally appeared before me B. Hudson Miner and W. W. Hancock, Jr., who, being first duly sworn, declared that they are President and Secretary, respectively, of Louisville Gas and Electric Company, that they signed the foregoing document as President and Secretary of the corporation, and that the statements therein contained are true.

Linda C. Parrish
Notary Public

My commission expires 30th day of March, 1979

ORIGINAL COPY
FILED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

JUN 24 1976

Drew P. Davis
SECRETARY OF STATE
Ken

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

DREXELL R. DAVIS
Secretary



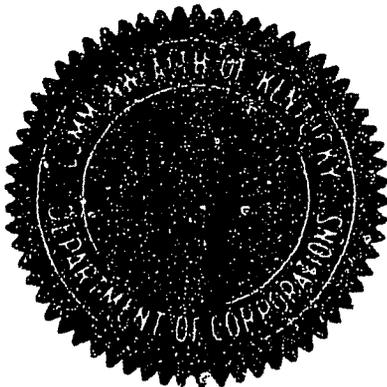
FRANKFORT,
KENTUCKY

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, DREXELL R. DAVIS, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Amended Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

amended pursuant to Kentucky Revised Statutes, 271A, (~~271B~~) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 30th day of JUNE, 19 78.

Drexell R. Davis
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

ORIGINAL COPY
FILED AND RECORDED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

JUN 30 1978

Dwight R. Davis
SECRETARY OF STATE

[Signature]

STATEMENT
PURSUANT TO KRS 271A.080
RE 250,000 SHARES \$8.90 CUMULATIVE
PREFERRED STOCK
(WITHOUT PAR VALUE)
OF

LOUISVILLE GAS AND ELECTRIC COMPANY
(A KENTUCKY CORPORATION)

SECRETARY OF STATE
RECEIVED

JUN 30 1978

OK 15.00
Commonwealth of Kentucky

KNOW ALL MEN BY THESE PRESENTS:

Pursuant to the provisions of KRS 271A.080 the undersigned corporation submits the following statement for the purpose of establishing and designating a series of shares of cumulative preferred stock of the corporation and determining the relative rights and preferences or so much thereof as shall not be fixed and determined by the Articles of Amendment to the Articles of Incorporation, as amended:

100638

(a) The name of the corporation is LOUISVILLE GAS AND ELECTRIC COMPANY.

(b) The following resolution establishing and designating a series of shares of such preferred stock and fixing and determining the relative rights and preferences thereof, to the extent that the Articles of Amendment to the Articles of Incorporation, as amended, shall not have fixed and determined the variations in the relative rights and preferences as between series, was duly adopted by the Board of Directors of the corporation at a meeting, duly called and held on June 27, 1978, at which a quorum was present and acting throughout:

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$8.90 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$8.90; the initial dividend in respect of such share of said series shall be payable on October 16, 1978, when and as declared by the Board of Directors of this Company, to holders of record on September 29, 1978, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$108.90 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to July 1, 1983; \$106.68 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1983, and prior to July 1, 1988; \$104.45 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1988, and prior to July 1, 1993; and \$102.23 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1993; provided, that none of the shares of said series may be redeemed by the Company prior to July 1, 1983, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$8.90 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

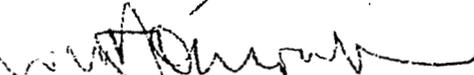
(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$8.90 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

Dated: June 27, 1978

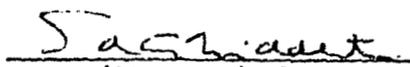
LOUISVILLE GAS AND ELECTRIC COMPANY

By 
Peter Ronald, Vice President

and 
W. W. Hancock, Jr., Secretary

(SEAL)

This instrument prepared by
Edwin G. Middleton
501 South Second Street
Louisville, Kentucky 40202


Attorney-At-Law

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

I, Linda C. Parrish, a notary public, do hereby certify that on this 27th day of June, 1978, personally appeared before me Peter Ronald and W. W. Hancock, Jr., who, being first duly sworn, declared that they are Vice President and Secretary, respectively, of Louisville Gas and Electric Company, that they signed the foregoing document as Vice President and Secretary of the corporation, and that the statements therein contained are true.

Linda C. Parrish
Notary Public

My commission expires 30th day of March, 1979

ORIGINAL COPY.
FILED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

SEP 27 1979

Daniel P. Davis
SECRETARY OF STATE
DP

STATEMENT
PURSUANT TO KRS 271A.080
RE 250,000 SHARES \$9.54 CUMULATIVE
PREFERRED STOCK
(WITHOUT PAR VALUE)
OF
LOUISVILLE GAS AND ELECTRIC COMPANY
(A KENTUCKY CORPORATION)

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KNOW ALL MEN BY THESE PRESENTS:

Pursuant to the provisions of KRS 271A.080 the undersigned corporation submits the following statement for the purpose of establishing and designating a series of shares of cumulative preferred stock of the corporation and determining the relative rights and preferences or so much thereof as shall not be fixed and determined by the Articles of Amendment to the Articles of Incorporation, as amended:

(a) The name of the corporation is LOUISVILLE GAS AND ELECTRIC COMPANY.

(b) The following resolution establishing and designating a series of shares of such preferred stock and fixing and determining the relative rights and preferences thereof, to the extent that the Articles of Amendment to the Articles of Incorporation, as amended, shall not have fixed and determined the variations in the relative rights and preferences as between series, was duly adopted by the Board of Directors of the corporation at a meeting, duly called and held on September 26, 1979, at which a quorum was present and acting throughout:

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$9.54 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$9.54, the initial dividend in respect of such share of said series shall be payable on January 15, 1980, when and as declared by the Board of Directors of this Company, to holders of record on December 31, 1979, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$109.54 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to October 1, 1984; \$107.16 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1984, and prior to October 1, 1989; \$104.77 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1989, and prior to October 1, 1994; and \$102.39 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1994; provided, that none of the shares of said series may be redeemed by the Company prior to October 1, 1984, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$9.54 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

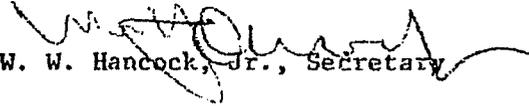
(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$9.54 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

Dated: September 26, 1979

LOUISVILLE GAS AND ELECTRIC COMPANY

By 
Peter Ronald, Vice President

and 
W. W. Hancock, Jr., Secretary

(SEAL)

This instrument prepared by
Edwin G. Middleton
501 South Second Street
Louisville, Kentucky 40202



Attorney-At-Law

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

FRANCES JONES MILLS
Secretary



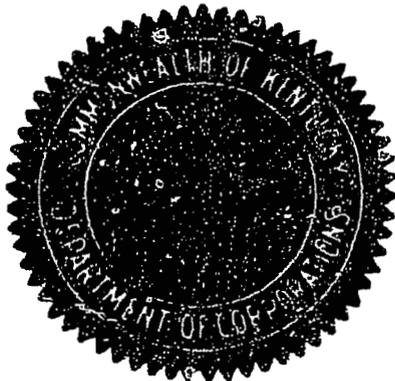
FRANKFORT,
KENTUCKY

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, **FRANCES JONES MILLS**, *Secretary of State of the Commonwealth of Kentucky*, do hereby certify that Amended Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

amended pursuant to Kentucky Revised Statutes, 271A, (~~271~~) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State, at Frankfort, Kentucky, this 14TH day of MAY, 19 81.

Frances Jones Mills
SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

ORIGINAL COPY
FILED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

ARTICLES OF AMENDMENT TO
THE ARTICLES OF INCORPORATION OF
LOUISVILLE GAS AND ELECTRIC COMPANY

MAY 14 1981
CK 10,500.00
A Cash #15.00
[Signature]
SECRETARY OF STATE
[Signature]

Pursuant to the provisions of Kentucky Revised Statutes 271A, et seq., the undersigned Corporation adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is Louisville Gas and Electric Company.

2. The Articles of Incorporation of said Corporation, as amended, are further amended by the following changes: **211417**

A. The first sentence of Article Fourth is amended to read:

"FOURTH. The Capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each, and (b) six million, seven hundred fifty thousand (6,750,000) shares of Preferred Stock (without par value) (the aggregate stated value thereof not to exceed \$225,000,000), and (c) twenty-five million (25,000,000) shares of Common Stock without par value."

B. The first two subparagraphs of Paragraph 7(B) of Article Fourth are amended to read:

"(B) So long as any shares of the Preferred Stock or the Preferred Stock (without par value) of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding:

(a) Create or authorize any class of stock ranking prior to or other than a series of the 1,720,000 authorized shares of Preferred Stock or 6,750,000 authorized shares of Preferred Stock (without par value) ranking on a parity with any series of the Preferred Stock and the Preferred Stock (without par value) as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or"

3. The above amendments to the Articles of Incorporation of the Louisville Gas and Electric Company, as amended, were adopted at the regular Annual Meeting of Stockholders of the Louisville Gas and Electric Company, a Kentucky corporation, held on the 12th day of May, 1981, by the affirmative vote of the holders of a majority of the common stock entitled to vote, and by the affirmative vote of the holders of a majority of the Preferred Stock (\$25 par value) entitled to vote, and by the affirmative vote of the holders of a majority of the Preferred Stock (without par value) entitled to vote, each class voting separately, all in accordance with ARTICLE FOURTH of the Arti-

cles of Incorporation, as amended.

IN TESTIMONY WHEREOF, witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 12TH day of May, 1981.

LOUISVILLE GAS AND ELECTRIC COMPANY

By *R. Royer*
President

By *W. W. Hancock, Jr.*
Secretary

STATE OF KENTUCKY

COUNTY OF JEFFERSON

I, *C. M. HAYS*, a notary public, do hereby certify that on this 12TH day of May, 1981, personally appeared before me Robert L. Royer and W. W. Hancock, Jr., who, being by me first duly sworn, declared that they are President and Secretary, respectively, of the Louisville Gas and Electric Company, that they signed the foregoing document as President and Secretary, respectively, of the Corporation, and that the statements therein contained are true.

My Commission Expires: SEPTEMBER 20, 1984

C. M. Hays
Notary Public

This instrument prepared by:

Charles G. Middleton III
Charles G. Middleton III
MIDDLETON & REUTLINGER
501 South Second Street
Louisville, Kentucky 40202

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

DREXELL R. DAVIS
Secretary



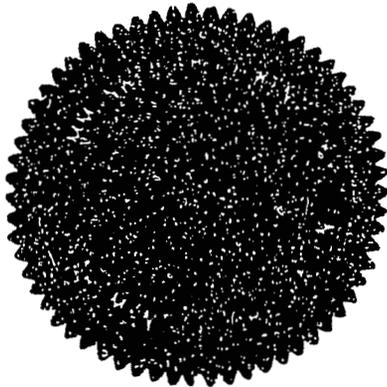
FRANKFORT,
KENTUCKY

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

I, DREXELL R. DAVIS, Secretary of State of the Commonwealth of Kentucky, do hereby certify that Amended Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

amended pursuant to Kentucky Revised Statutes, 271A, (~~272~~) duly signed and verified or acknowledged according to law, have been filed in my office by said corporation, and that all taxes, fees and charges payable upon the filing of said Articles of Amendment have been paid.



SECRETARY OF STATE

*Given under my hand and seal of Office as Secretary of State,
at Frankfort, Kentucky, this 21ST
day of MAY, 19 87.*

Drexell R. Davis

SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

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FILED
DEPARTMENT OF REVENUE OF KENTUCKY
CORPORATE DIVISION

MAY 21 1987

ARTICLES OF AMENDMENT TO
THE ARTICLES OF INCORPORATION OF
LOUISVILLE GAS AND ELECTRIC COMPANY

\$100,025.00 Sup
Danzell Davis

SECRETARY OF STATE

Pursuant to the provisions of Kentucky Revised Statutes
271A, et seq., the undersigned Corporation adopts the following
Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is Louisville Gas and
Electric Company.

2. The Articles of Incorporation of said Corporation, as
amended, are further amended by the following changes:

A. Article Third shall be deleted and replaced in
its entirety with the following:

"THIRD. The purpose of the Company is
the transaction of any or all lawful
business for which corporations may be
incorporated under the Business
Corporation Law of Kentucky, as amend-
ed."

B. The first sentence of the first paragraph of
Article Fourth is amended to read:

"FOURTH. The Capital stock of the
Company shall be divided into (a) one
million, seven hundred twenty thousand
(1,720,000) shares of Preferred Stock
of the par value of \$25 each, (b) six
million, seven hundred fifty thousand
(6,750,000) shares of Preferred Stock
(without par value) (the aggregate
stated value thereof not to exceed
\$225,000,000), and (c) seventy-five
million (75,000,000) shares of Common
Stock without par value."

C. The following Articles Eighth through Tenth shall
be added and the present Article Sixth and present Article
Eighth shall be deleted:

"EIGHTH. A. *Number, Election and Terms of Directors.* The business of the Company shall be managed by a Board of Directors. The number of directors of the Company shall be fixed from time to time by or pursuant to the By-Laws of the Company. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as shall be provided in the manner specified in the By-Laws of the Company, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

B. *Stockholder Nomination of Director Candidates and Introduction of Business.* Advance notice of stockholder nominations for the election of directors, and advance notice of business to be brought by stockholders before an annual meeting of stockholders, shall be given in the manner provided in the By-Laws of the Company.

C. *Newly Created Directorships and Vacancies.* Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

D. *Removal.* Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph D, if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part. Whenever in this Article Eighth or in Article Ninth hereof or in Article Tenth hereof, the phrase "the then outstanding shares of the Company's stock entitled to vote generally" is used, such phrase shall mean each then outstanding share of any class or series of the Company's stock that is entitled to vote generally in the election of the Company's directors.

E. Amendment or Repeal. Notwithstanding any other provisions of this Article Eighth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Eighth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Eighth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

NINTH. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting *only* if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders of the Company may be called only by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors or by the President of the Company. Notwithstanding any other provisions of this Article Ninth or of any other Article hereof or of the

By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Ninth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Ninth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

TENTH. The Board of Directors shall have power to adopt, amend and repeal the By-Laws of the Company to the maximum extent permitted from time to time by Kentucky law; provided, however, that any By-Laws adopted by the Board of Directors under the powers conferred hereby may be amended or repealed by the Board of Directors or by the holders of at least a majority of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class, except that, and notwithstanding any other provisions of this Article Tenth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Tenth, any other Article hereof or the By-Laws of the Company), no provision of Section 2, Section 4 or Section 5 of Article I of the By-Laws or of Section 1 of Article II of the By-Laws or of Section 2 of Article IV of the By-Laws or of Article IX of the By-Laws may be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding any other provisions of this Article Tenth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Tenth, any other Article hereof or the By-Laws of the Company), the provisions of this Article Tenth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class."

D. The present Article Seventh shall be renumbered as Article Sixth and the following Article Seventh shall be added:

"SEVENTH. A. CERTAIN DEFINITIONS. For purposes of this Article Seventh:

(1) "Affiliate," including the term "affiliated person," means a person who directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, a specified person.

(2) "Associate," when used to indicate a relationship with any person, means:

(a) Any corporation or organization (other than the Company or a Subsidiary), of which such person is an officer, director or partner or is, directly or indirectly, the Beneficial Owner of ten percent (10%) or more of any class of Equity Securities;

(b) Any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and

(c) Any relative or spouse of such person, or any relative of such spouse, any one (1) of whom has the same home as such person or is a director or officer of the corporation or any of its Affiliates.

(3) "Beneficial Owner," when used with respect to any Voting Stock, means a person:

(a) Who, individually or with any of its Affiliates or Associates, beneficially owns Voting Stock, directly or indirectly; or

(b) Who, individually or with any of its Affiliates or Associates, has:

1. The right to acquire Voting Stock, whether such right is exercisable immediately or only after the passage of time and whether or not such right is exercisable only after specified conditions are met, pursuant to any agreement, arrangement, or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise;

2. The right to vote Voting Stock pursuant to any agreement, arrangement, or understanding; or

3. Any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting or disposing of Voting Stock with any other person who beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, such shares of Voting Stock.

(4) "Business Combination" means:

(a) Any merger or consolidation of the Company or any Subsidiary with any Interested Shareholder, or any other corporation, whether or not itself an Interested Shareholder, which is, or after the merger or consolidation would be, an Affiliate of an Interested Shareholder who was an Interested Shareholder prior to the transaction;

(b) Any sale, lease, transfer, or other disposition, other than in the ordinary course of business, in one (1) transaction or a series of transactions in any twelve-month period, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any Subsidiary, of any assets of the Company or any Subsidiary having, measured at the time the transaction or transactions are approved by the Board of Directors of the Company, an aggregate book value as of the end of the Company's most recently ended fiscal quarter of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth as of the end of its most recently ended fiscal quarter;

(c) The issuance or transfer by the Company, or any Subsidiary, in one transaction or a series of transactions in any twelve-month period, of any Equity Securities of the Company or any Subsidiary which have an aggregate Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company, determined as of the end of the Company's most recently ended fiscal quarter prior to the first such issuance or transfer, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any of its Subsidiaries, except pursuant to the exercise of warrants or rights to purchase securities offered pro rata to all holders of the Company's Voting Stock or any other method affording substantially proportionate treatment to the holders of Voting Stock;

(d) The adoption of any plan or proposal for the liquidation or dissolution of the Company in which any thing other than cash will be received by an Interested Shareholder or any Affiliate of any Interested Shareholder; or

(e) Any reclassification of securities, including any reverse stock split; or recapitalization of the Company; or any merger or consolidation of the Company with any of its Subsidiaries; or any other transaction which has the effect, directly or indirectly, in one transaction or a series of transactions, of increasing by five percent (5%) or more the proportionate amount of the outstanding shares of any class of Equity Securities of the Company or any Subsidiary which is directly or indirectly beneficially owned by any Interested Shareholder or any Affiliate of any Interested Shareholder.

(5) "Common Stock" means any stock of the Company other than preferred or preference stock of the Company.

(6) "Continuing Director" means any member of the Company's Board of Directors who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its Affiliates, other than the Company or any of its Subsidiaries, and who was a director of the Company prior to the time the Interested Shareholder became an Interested Shareholder, and any successor to such Continuing Director who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its Affiliates, other than the Company or any of its Subsidiaries, and was recommended or elected by a majority of the Continuing Directors at a meeting at which a quorum consisting of a majority of the Continuing Directors is present.

(7) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of ten percent (10%) or more of the votes entitled to be cast by a corporation's Voting Stock creates a presumption of control.

(8) "Equity Security" means:

(a) Any stock or similar security, certificate of interest, or participation in any profit-sharing agreement, voting trust certificate, or certificate of deposit for the foregoing;

(b) Any security convertible, with or without consideration, into an Equity Security, or any warrant or other security carrying any right to subscribe to or purchase an Equity Security; or

(c) Any put, call, straddle, or other option, right or privilege of acquiring an Equity Security from or selling an Equity Security to another without being bound to do so.

(9) "Interested Shareholder" means any person, other than the Company or any of its Subsidiaries, who:

(a) Is the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the outstanding Voting Stock of the Company; or is an Affiliate of the Company and at any time within the two-year period immediately prior to the date in question was the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the then outstanding Voting Stock of the Company.

(b) For the purpose of determining whether a person is an Interested Shareholder, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned by the person through application of Subsection (3) of this Paragraph A of Article Seventh but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement, or understanding, or upon exercise of conversion rights, warrants or options or otherwise.

(10) "Market Value" means

(a) In the case of stock, the highest closing sale price during the thirty-day period immediately preceding the date in question of a share of such stock on the composite tape for New York Stock Exchange listed stocks, or, if such stock is not quoted on the composite tape, on the New York Stock Exchange, or if such stock is not listed on such exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the thirty-day period preceding the date in question on the National Association of Securities Dealers, Inc., Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present; and

(b) In the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(11) "Subsidiary" means any corporation of which Voting Stock having a majority of the votes entitled to be cast is owned, directly or indirectly, by the Company.

(12) "Voting Stock" means shares of capital stock of a corporation entitled to vote generally in the election of its directors.

B MINIMUM SHARE VOTE REQUIREMENTS FOR APPROVAL OF BUSINESS COMBINATIONS

(1) In addition to any vote otherwise required by law or these Articles of Incorporation, a Business Combination shall be recommended by the Board of Directors of the Company and approved by the affirmative vote of at least:

(a) Eighty percent (80%) of the votes entitled to be cast by outstanding shares of Voting Stock of the Company, voting together as a single voting group; and

(b) Two-thirds of the votes entitled to be cast by holders of Voting Stock other than Voting Stock beneficially owned by the Interested Shareholder who is, or whose Affiliate is, a party to the Business Combination or by an Affiliate or Associate of such Interested Shareholder, voting together as a single voting group.

(2) Unless a Business Combination is exempted from the operation of this Paragraph B in accordance with Paragraph C of this Article Seventh, the failure to comply with the voting requirements of Subsection (1) of this Paragraph B shall render such Business Combination void

C. EXEMPTIONS FROM MINIMUM SHARE VOTE REQUIREMENTS.

(1) For purposes of Section (2) of this Paragraph C:

(a) "Announcement Date" means the first general public announcement of the proposal or intention to make a proposal of the Business Combination or its first communication generally to stockholders of the Company, whichever is earlier.

(b) "Determination Date" means the date on which an Interested Shareholder first became an Interested Shareholder, and

(c) "Valuation Date" means

1. For a Business Combination voted upon by stockholders, the latter of the day prior to the date of the stockholders' vote or the date twenty (20) days prior to the consummation of the Business Combination; and

2. For a Business Combination not voted upon by stockholders, the date of the consummation of the Business Combination

(2) The vote required by Section B of this Article Seventh does not apply to a Business Combination if each of the following conditions is met

(a) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of Common Stock in such Business Combination is at least equal to the highest of the following:

1. The highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of Common Stock of the same class or series acquired by it:

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The Market Value per share of Common Stock of the same class or series on the Announcement Date or on the Determination Date, whichever is higher; or

3. The price per share equal to the Market Value per share of Common Stock of the same class or series determined pursuant to clause 2 of this Subsection (a), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of Common Stock of the same class or series acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of Common Stock of the same class or series on the first day in such two-year period on which the Interested Shareholder acquired any shares of Common Stock.

(b) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of shares of any class or series of outstanding stock other than Common Stock is at least equal to the highest of the following, whether or not the Interested Shareholder has previously acquired any shares of a particular class or series of stock:

1. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of such class of stock acquired by it.

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The highest preferential amount per share to which the holders of shares of such class of stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company; or

3. The Market Value per share of such class of stock on the Announcement Date or on the Determination Date, whichever is higher; or

4. The price per share equal to the Market Value per share of such class of stock determined pursuant to clause 3 of this Subsection (b), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of any class of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of the same class of Voting Stock on the first day in such two-year period on which the Interested Shareholder acquired any shares of the same class of Voting Stock.

(c) In making any price calculation under Section (2) of this Paragraph C, appropriate adjustments shall be made to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock. The consideration to be received by holders of any class or series of outstanding stock is to be in cash or in the same form as the Interested Shareholder has previously paid for shares of the same class or series of stock. If the Interested Shareholder has paid for shares of any class of stock with varying forms of consideration, the form of consideration for such class of stock shall be either cash or the form used to acquire the largest number of shares of such class or series of stock previously acquired by it.

(d) 1 After the Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

a. There shall have been no failure to declare and pay at the regular date therefor any full periodic dividends, whether or not cumulative, on any outstanding preferred stock of the Company;

b. There shall have been no reduction in the annual rate of dividends paid on any class or series of stock of the Company that is not preferred stock, except as necessary to reflect any subdivision of the stock; and an increase in such annual rate of dividends as necessary to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock; and

c. The Interested Shareholder shall not become the Beneficial Owner of any additional shares of stock of the Company except as part of the transaction which resulted in such Interested Shareholder becoming an Interested Shareholder or by virtue of proportionate stock splits or stock dividends.

2. The provisions of subclauses a and b of clause 1 do not apply if no Interested Shareholder or an Affiliate or Associate of the Interested Shareholder voted as a director of the Company in a manner inconsistent with such subclauses and the Interested Shareholder, within ten (10) days after any act or failure to act inconsistent with such subclauses, notifies the Board of Directors of the Company in writing that the Interested Shareholder disapproves thereof and requests in good faith that the Board of Directors rectify such act or failure to act.

(c) After the Interested Shareholder has become an Interested Shareholder, the Interested Shareholder may not have received the benefit, directly or indirectly, except proportionately as a stockholder, of any loans, advances, guarantees, pledges or other financial assistance provided by the Company or any Subsidiary, whether in anticipation of or in connection with such Business Combination or otherwise.

(3) (a) The vote required by Section B of this Article Seventh does not apply to any Business Combination that is approved by a majority of Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(b) Unless by its terms a resolution adopted under the foregoing subsection (a) of this Section (3) is made irrevocable, it may be altered or repealed by the Board of Directors, but this shall not affect any Business Combinations that have been consummated, or are the subject of an existing agreement entered into, prior to the alteration or repeal.

D. Powers of the Board of Directors. A majority of the Continuing Directors of the Company shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article Seventh, including without limitation, (a) whether a person is an Interested Shareholder, (b) the number of shares of Voting Stock beneficially owned by any person, (c) whether a person is an Affiliate or Associate of another, (d) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Company or any Subsidiary in any Business Combination has, an aggregate book value or Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth, and (e) whether the requirements of Paragraph C of this Article Seventh have been met.

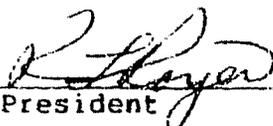
E. No Effect on Fiduciary Obligations of Interested Shareholders. Nothing contained in this Article Seventh shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

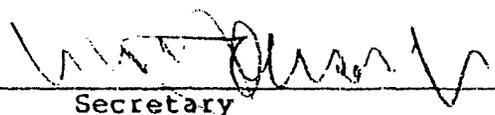
F. Amendment or Repeal. Notwithstanding any other provisions of this Article Seventh or of any other Article hereof, or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Seventh, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Seventh may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least (i) 80% of the combined voting power of the then outstanding Voting Stock of the Company, voting together as a single class and (ii) 66⅔% of the combined voting power of the then outstanding Voting Stock (which is not beneficially owned by any Interested Shareholder), voting together as a single class.

3. The above amendments to the Articles of Incorporation of the Louisville Gas and Electric Company, as amended, were adopted at the regular Annual Meeting of Stockholders of the Louisville Gas and Electric Company, a Kentucky corporation, on the 12th day of May 1987, by the affirmative vote of the holders of a majority of the shares of the Common Stock and the Preferred Stock (\$25 par value) voting as one class and, in addition, the above amendment to Article Fourth was adopted by the affirmative vote of the holders of a majority of the shares of the Common Stock voting as one class, all in accordance with Kentucky law and the Articles of Incorporation, as amended, of Louisville Gas and Electric Company.

IN TESTIMONY WHEREOF, witness the signatures of the duly qualified officers of Louisville Gas and Electric Company this 20TH day of May 1987.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
President

By: 
Secretary

STATE OF KENTUCKY

COUNTY OF JEFFERSON

I, C. MR. HAYS, a notary public, do hereby certify that on this 20TH day of May, 1987, personally appeared before me R. L. Royer and W. W. Hancock, Jr., who, being by me first duly sworn, severally declared and acknowledged before me that they are President and Secretary, respectively, of the Louisville Gas and Electric Company, that they signed the foregoing document as President and Secretary, respectively, of the Corporation and that the statements therein contained are true.

My Commission Expires: SEPTEMBER 20, 1988

C. MR. HAYS

Notary Public

This instrument prepared by:

Charles G. Middleton III

Charles G. Middleton III *by c.g.m.*
MIDDLETON & REUTLINGER
2500 Brown & Williamson Tower
Louisville, Kentucky 40202
(502) 584-1135

Commonwealth of Kentucky

OFFICE OF
SECRETARY OF STATE

DREXELL R. DAVIS
Secretary



FRANKFORT,
KENTUCKY

RESTATED CERTIFICATE OF INCORPORATION OF

LOUISVILLE GAS AND ELECTRIC COMPANY

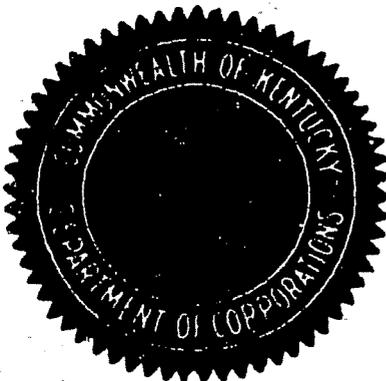
I, DREXELL R. DAVIS, Secretary of State of the Commonwealth of Kentucky, hereby certify that triplicate originals of Restated Articles of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

duly signed and verified pursuant to the provisions of Chapter 271A of the Kentucky Revised Statutes, have been received in this office and are found to conform to law. Therefore, as Secretary of State and by virtue of the authority vested in me by law, I hereby issue this Restated Certificate of Incorporation of

LOUISVILLE GAS AND ELECTRIC COMPANY

and attach hereto one of the originals of the Restated Articles of Incorporation.



SECRETARY OF STATE

Given under my hand and seal of Office as Secretary of State,
at Frankfort, Kentucky, this 8th
day of OCTOBER, 19 87.

SECRETARY OF STATE

ASSISTANT SECRETARY OF STATE

ORIGINAL COPY
FILED
SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY

OCT - 8 1987

Duffell Davis

RESTATED
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

496740

SECRETARY OF STATE

These Restated Articles of Incorporation of Louisville Gas and Electric Company correctly set forth without change the corresponding provisions of the Articles of Incorporation as theretofore amended of Louisville Gas and Electric Company and supersede the original Articles of Incorporation and all amendments thereto of Louisville Gas and Electric Company.

The Articles of Incorporation of Louisville Gas and Electric Company, as originally filed and as thereafter amended from time to time, are hereby restated to read as follows:

FIRST. The corporate name is

LOUISVILLE GAS AND ELECTRIC COMPANY.

SECOND. The principal office or place of business of the Company is in the City of Louisville, County of Jefferson, State of Kentucky.

THIRD. The purpose of the Company is the transaction of any or all lawful business for which corporations may be incorporated under the Business Corporation Law of Kentucky, as amended.

FOURTH. The Capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each, (b) six million, seven hundred fifty thousand (6,750,000) shares of Preferred Stock (without par value) (the aggregate stated value thereof not to exceed \$225,000,000), and (c) seventy-five million (75,000,000) shares of Common Stock without par value. The Preferred Stock and Preferred Stock (without par value) shall be issued in series having the preferences, rights, qualifications and restrictions hereinafter provided for.

PREFERRED STOCK AND PREFERRED STOCK (WITHOUT PAR VALUE)

(1) In addition to the series of Cumulative Preferred Stock, described in paragraphs (10) through (13) hereof, the Board of Directors is hereby authorized, subject to and in accordance with the provisions of paragraphs (1) through (9), inclusive, to cause Preferred Stock (without par value) to be issued in series, each such series to have such variations in respect thereof as may be determined by the Board of Directors prior to the issuance thereof.

The shares of the Preferred Stock of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The rate of dividends (within such limits as shall be permitted by law not exceeding 8% per annum) payable on the shares of the particular series;

(c) The prices (not less than the amount limited by law) and terms upon which the shares of the particular series may be redeemed; and

(d) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of the Preferred Stock (without par value) of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The stated value thereof;

(c) The rate of dividends (within such limits as shall be permitted by law) payable on the shares of the particular series;

(d) The prices (not less than the amount limited by law) and terms (including sinking fund provisions) upon which the shares of the particular series may be redeemed; and

(e) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of all series of Preferred Stock and Preferred Stock (without par value) shall in all other respects be identical, except that the Preferred Stock (without par value) shall not have the voting rights of the Preferred Stock provided by paragraph 9(A) hereof.

(2) The holders of each series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be entitled, pari passu with the holders of every other series of the Preferred Stock and the Preferred Stock (without

par value), to receive, but only when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, cumulative preferential dividends, at the annual dividend rate for the particular series fixed therefor as herein provided, payable quarter-yearly in substantially equal amounts, on dates to be fixed in the by-laws, to stockholders of record on the respective dates, not exceeding thirty (30) days and not less than ten (10) days preceding such dividend payment dates, fixed for the purpose by the Board of Directors. No dividends shall be declared on any series of the Preferred Stock or the Preferred Stock (without par value) in respect of any quarter-yearly dividend period unless there shall likewise be declared on all shares of all other series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, like proportionate dividends, ratably, in proportion to the respective annual dividend rates fixed therefor, in respect of the same quarter-yearly dividend period, to the extent that such shares are entitled to receive dividends for such quarter-yearly dividend period. The dividends on shares of all series of the Preferred Stock and the Preferred Stock (without par value) shall be cumulative. In the case of all shares of each particular series, the dividends on shares of such series shall be cumulative from the date of issue thereof unless the Company shall have established regular quarter-yearly dividend periods with respect to such series, in which case such dividends shall be cumulative from the first day of the current quarter-yearly dividend period in which shares of such series shall have been issued, so that unless dividends on all outstanding shares of each series of the Preferred Stock and the Preferred Stock (without par value), at the annual dividend rate and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past quarter-yearly dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The holders of the Preferred Stock and the Preferred Stock (without par value) of any series shall not be entitled to receive any dividends thereon other than the dividends referred to in this paragraph (2).

(3) The Company, by action of its Board of Directors, may redeem the whole or any part of any series of the Preferred Stock or the Preferred Stock (without par value), at any time or from time to time, by paying in cash the redemption price of the shares of the particular series, fixed therefor as herein provided, together with a sum in the case of each share of each series so to be redeemed, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for such redemption, less the aggregate of

the dividends theretofore or on such redemption date paid thereon. Notice of every such redemption shall be given by publication at least once in one daily newspaper printed in the English language and of general circulation in Louisville, Kentucky, the first publication in such newspaper to be at least thirty (30) days prior to the date fixed for such redemption. At least thirty (30) days' previous notice of every such redemption shall also be mailed to the holders of record of the shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed, at their respective addresses as the same shall appear on the books of the Company; but no failure to mail such notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed. In case of redemption of a part only of any series of the Preferred Stock or the Preferred Stock (without par value) at the time outstanding, the Board of Directors shall fix and determine the stock to be so redeemed either by lot or by redemption pro rata or by designation of particular shares for redemption or in any other manner the Board of Directors may see fit. The Board of Directors shall have full power and authority, subject to the limitations and provisions herein contained, to prescribe the manner in which, and the terms and conditions upon which, the shares of the Preferred Stock or the Preferred Stock (without par value) shall be redeemed from time to time. If such notice of redemption shall have been duly given by publication, and if on or before the redemption date specified in such notice all funds necessary for such redemption shall have been set aside by the Company, separate and apart from its other funds, in trust for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, then, notwithstanding that any certificate for such shares so called for redemption shall not have been surrendered for cancellation, from and after the date fixed for redemption, the shares represented thereby shall no longer be deemed outstanding, the right to receive dividends thereon shall cease to accrue and all rights with respect to such shares so called for redemption shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive out of the funds so set aside in trust, the amount payable upon redemption thereof, without interest; provided, however, that the Company may, after giving notice by publication of any such redemption as hereinbefore provided or after giving to the bank or trust company hereinafter referred to irrevocable authorization to give such notice by publication, and at any time prior to the redemption date specified in such notice, deposit in trust, for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, funds necessary for such redemption with a bank or trust company in good

standing, organized under the laws of the United States of America or of the Commonwealth of Kentucky or of the State of New York doing business in the City of Louisville, or in the Borough of Manhattan, The City of New York, and having capital, surplus and undivided profits aggregating at least \$1,000,000, designated in such notice of redemption, and, upon such deposit in trust, all shares with respect to which such deposit shall have been made shall no longer be deemed to be outstanding, and all rights with respect to such shares shall forthwith cease and terminate, except only the right of the holders thereof to receive at any time from and after the date of such deposit, the amount payable upon the redemption thereof, without interest.

(4) Before any amount shall be paid to, or any assets distributed among, the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, upon any liquidation, dissolution or winding up of the Company, and after paying or providing for the payment of all creditors of the Company, the holders of each series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be entitled, pari passu with the holders of every other series of the Preferred Stock and the Preferred Stock (without par value), to be paid in cash the amount for the particular series fixed therefor as herein provided, together with a sum in the case of each share of each series, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of any series of the Preferred Stock or the Preferred Stock (without par value) unless there shall likewise be paid at the same time to the holders of each other series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they are respectively entitled as herein provided. The holders of the Preferred Stock and the Preferred Stock (without par value) of any series shall not be entitled to receive any amounts with respect thereto upon any liquidation, dissolution or winding up of the Company other than as provided in this paragraph. Neither the consolidation or merger of the Company with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Company.

(5) Whenever the full dividends on all series of the Preferred Stock and the Preferred Stock (without par value) at

the time outstanding for all past quarter-yearly dividend periods shall have been paid or declared and set apart for payment, then such dividends as may be determined by the Board of Directors may be declared and paid on the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, but only out of funds legally available for the payment of dividends; provided, however, that no dividend shall be declared or paid and no other distributions shall be made on the Common Stock or on any such other stock and no shares of the Common Stock or of any such other stock shall be purchased or otherwise acquired for value out of capital surplus arising from a reduction in capital.

(6) In the event of any liquidation, dissolution or winding up of the Company, all assets and funds of the Company remaining after paying or providing for the payment of all creditors of the Company and after paying or providing for the payment to the holders of all series of the Preferred Stock and the Preferred Stock (without par value) of the full distributive amounts to which they are respectively entitled as herein provided, shall be divided among and paid to the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, according to their respective rights and interests.

(7) (A) So long as any shares of the Preferred Stock or the Preferred Stock (without par value) of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of at least two-thirds of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding:

Amend, alter, change or repeal any of the express terms of any series of the Preferred Stock or the Preferred Stock (without par value) then outstanding in a manner prejudicial to the holders thereof; provided, however, that if any such amendment, alteration, change or repeal shall be prejudicial to the holders of one or more, but not all, of the series of Preferred Stock or the Preferred Stock (without par value) at the time outstanding, only such consent of the holders of two-thirds of the total number of shares of all series so affected shall be required.

(B) So long as any shares of the Preferred Stock or the Preferred Stock (without par value) of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding:

(a) Create or authorize any class of stock ranking prior to or (other than a series of the 1,720,000 authorized shares of Preferred Stock or 6,750,000 authorized shares of Preferred Stock (without par value)) ranking on a parity with any series of the Preferred Stock and the Preferred Stock (without par value) as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock or the Preferred Stock (without par value), or of any class of stock ranking prior to or on a parity with the Preferred Stock and the Preferred Stock (without par value) of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on the Preferred Stock, the Preferred Stock (without par value) and any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock, all Preferred Stock (without par value), and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; or

(c) Merge or consolidate with or into any other corporation or corporations, unless such merger or consolidation, or the issuance or assumption of all securities, to be issued or assumed in connection with any such merger or consolidation, shall have been ordered, approved, or permitted by the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935 or by any successor commission or regulatory authority of the United States of America having jurisdiction in the premises; provided that the provisions of this clause (c) shall not apply to a purchase or other acquisition by the Company of franchises or assets of another corporation in any manner which does not involve a merger or consolidation.

(C) So long as any shares of the Preferred Stock or Preferred Stock (without par value) of any series are outstanding, the Company shall not without written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding or, in the alternative and subject to the proviso hereinafter set forth in this subdivision 7(C), the affirmative

vote of the holders of a majority of the total number of the shares of such Preferred Stock and Preferred Stock (without par value) which are represented, by the attendance of the holders thereof in person or by proxy, at a meeting duly called for the purpose:

Issue or assume any unsecured notes, debentures or other securities representing unsecured indebtedness for any purpose other than (1) the refunding of outstanding unsecured securities theretofore issued or assumed by the Company, (2) the financing of pollution control facilities (as defined in the Internal Revenue Code, as amended or as hereafter amended, and the regulations and rulings thereunder) through the issuance or assumption of unsecured notes, debentures or other securities representing unsecured indebtedness the receipt of interest on which is exempt from federal income tax at the time of such issuance or assumption, or (3) the redemption or other retirement of outstanding shares of one or more series of the Preferred Stock or Preferred Stock (without par value) if, immediately after such issuance or assumption, the total principal amount of all unsecured notes, debentures or other unsecured securities representing unsecured indebtedness issued or assumed by the Company and then outstanding (including unsecured securities then to be issued or assumed but excluding unsecured securities theretofore consented to by the holders of such Preferred Stock and Preferred Stock (without par value)) will exceed 20% of the sum of (i) the total principal amount of all bonds or other securities representing secured indebtedness issued or assumed by the Company and then to be outstanding, and (ii) the capital and surplus of the Company as then to be stated on the books of account of the Company.

Provided, however, that if, at any such meeting, at least one-third of all shares of such Preferred Stock and Preferred Stock (without par value) then outstanding shall be voted against the action then proposed, of the character aforesaid, such action may be taken only with the affirmative vote of a majority of all shares of such Preferred Stock and Preferred Stock (without par value) then outstanding.

If at any meeting of such Preferred Stock and Preferred Stock (without par value) for the purpose of taking action on matters set forth in this subdivision 7(C), the presence in person or by proxy of the holders of a majority of such stock shall not have been obtained and shall not be obtained for a period of thirty days from the date of such meeting, the presence in person or by proxy of the holders of one-third of such stock then outstanding shall be sufficient to constitute a quorum.

(8) No holder of shares of Preferred Stock or Preferred Stock (without par value) shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services, by way of dividends, or otherwise.

(9) (A) Every holder of Preferred Stock of any series shall have one vote for each share of such Preferred Stock held by him, and every holder of the Common Stock shall have one vote for each share of Common Stock held by him, for the election of Directors and upon all other matters, except as otherwise provided in this paragraph (9) hereof. At all elections of directors, any stockholder may vote cumulatively. The foregoing shall not modify or affect the special votes and consents provided for in paragraph (7) hereof.

(B) If and when dividends shall be in default in an amount equivalent to six (6) full quarter-yearly dividends on all shares of all series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, and until all dividends in default on such Preferred Stock and such Preferred Stock (without par value) shall have been paid, the holders of all shares of the Preferred Stock and all shares of the Preferred Stock (without par value), voting separately as one class, shall be entitled to elect the smallest number of Directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Stock, voting separately as a class, shall be entitled to elect the remaining Directors of the Company. At all elections of directors held pursuant to this subdivision 9(B), any stockholder may vote cumulatively. The terms of office of all persons who may be Directors of the Company at the time shall terminate upon the election of a majority of the Board of Directors by the holders of the Preferred Stock and the Preferred Stock (without par value), whether or not the holders of the Common Stock shall then have elected the remaining Directors of the Company.

(C) If and when all dividends then in default on the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be paid (and such dividends shall be declared and paid, or declared and funds set aside for that purpose out of any funds legally available therefor as soon as reasonably practicable), the Preferred Stock and the Preferred Stock (without par value) shall thereupon be divested of any special right with respect to the election of Directors provided in subparagraph (B) hereof, and the voting power of the Preferred Stock, the Preferred Stock (without par value) and the Common Stock shall revert to the status existing before the occurrence of such default; but always subject to the same

provisions for vesting such special rights in the Preferred Stock and the Preferred Stock (without par value) in case of further like default or defaults in dividends thereon.

(D) In case of any vacancy in the Board of Directors occurring among the Directors elected by the holders of the Preferred Stock and the Preferred Stock (without par value), as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Preferred Stock and the Preferred Stock (without par value) (including, as elected by such holders, any Directors then in office who were chosen by other Directors as successor Directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In case of a vacancy in the Board of Directors occurring among the Directors elected by the holders of the Common Stock, as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Common Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In all other cases, any vacancy occurring among the Directors shall be filled by the vote of a majority of the remaining Directors.

(E) At all meetings of stockholders held for the purpose of electing directors during such times as the holders of shares of the Preferred Stock and the Preferred Stock (without par value) shall have the special right, voting separately as one class, to elect directors pursuant to subparagraph (B) hereof, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Common Stock shall be required to constitute a quorum of such class for the election of directors, and the presence in person or by proxy of the holders of Preferred Stock and Preferred Stock (without par value) entitled to cast a majority of all the votes to which the holders of the Preferred Stock and the Preferred Stock (without par value) are entitled, shall be required to constitute a quorum of such class for the election of directors; provided, however, that the absence of a quorum (according to votes, as aforesaid) of the holders of stock of any such class shall not prevent the election at any such meeting or adjournment thereof of directors by the other such class if such quorum of the holders of stock of such other class is present in person or by proxy at such meeting; and provided further that in the absence of such quorum of the holders of stock of any such class, a majority (according to votes, as aforesaid) of those holders of the stock of such class who are present in person or by proxy shall have power to adjourn the

election of the directors to be elected by such class from time to time without notice other than announcement at the meeting until the holders of the requisite number of shares of such class shall be present in person or by proxy.

(F) Except when some mandatory provision of law shall be controlling and except as otherwise provided in paragraph (7) hereof whenever shares of two or more series of the Preferred Stock or of the Preferred Stock (without par value) are outstanding, no particular series shall be entitled to vote as a separate series on any matter and all shares of the Preferred Stock and the Preferred Stock (without par value) shall be deemed to constitute but one class for any purpose for which a vote of the stockholders of the Company by classes may now or hereafter be required.

5% CUMULATIVE PREFERRED STOCK, \$25 PAR VALUE

(10) The Company has classified \$21,519,300 par value of the Preferred Stock as a series of such Preferred Stock designated as "5% Cumulative Preferred Stock, \$25 Par Value," consisting of 860,772 shares of the par value of \$25 per share.

(11) The preferences, rights, qualifications and restrictions of the shares of the "5% Cumulative Preferred Stock, \$25 Par Value," shall be as follows:

(a) The annual dividend rate for such series shall be 5% per annum;

(b) The redemption price for such series shall be \$28.00 per share; and

(c) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be:

\$27.25 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 5% Cumulative Preferred Stock, \$25 Par Value then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

7.45% CUMULATIVE PREFERRED STOCK, PAR VALUE \$25 PER SHARE

(12) The Company has classified \$21,480,700 Par Value of the Preferred Stock as a series of such Preferred Stock designated as "7.45% Cumulative Preferred Stock, Par Value \$25 per share," consisting of 859,228 shares with par value of \$25 per share.

(13) The preferences, rights, qualifications and restrictions of shares of the "7.45% Cumulative Preferred Stock, Par Value \$25 per share," shall be as follows:

(a) The annual dividend rate for such series shall be 7.45% per annum;

(b) The redemption price for such series will be \$27.50 per share prior to April 15, 1978; \$26.75 per share thereafter and prior to April 15, 1983; \$26.00 per share thereafter and prior to April 15, 1988; and \$25.75 per share thereafter. However, no shares of such series may be redeemed prior to April 15, 1978 from proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equal or prior to the stock of such series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of the stock of such series; and

(c) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be:

\$25.50 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 7.45% Cumulative Preferred Stock, Par Value \$25 per share, then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

COMMON STOCK
(Without par value)

The Board of Directors is hereby authorized to cause shares of Common Stock, without par value, to be issued from time to time for such consideration as may be fixed from time to time by the Board of Directors, or by way of stock split pro rata to the holders of the Common Stock. The Board of Directors may also determine the proportion of the proceeds received from the sale of such stock which shall be credited upon the books of the Company to Capital or Capital Surplus.

Each share of the Common Stock shall be equal in all respects to every other share of the Common Stock.

No holder of shares of Common Stock shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services or otherwise.

FIFTH. The Company shall commence business as soon as authorized as provided by law and shall continue for a period of nine hundred ninety-nine (999) years from July 2, 1913.

SIXTH. The private property of the stockholders of the Company shall not be subject to the payment of corporate debts.

SEVENTH. A. CERTAIN DEFINITIONS. For purposes of this Article Seventh:

(1) "Affiliate," including the term "affiliated person," means a person who directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, a specified person.

(2) "Associate," when used to indicate a relationship with any person, means:

(a) Any corporation or organization (other than the Company or a Subsidiary), of which such person is an officer, director or partner or is, directly or indirectly, the Beneficial Owner of ten percent (10%) or more of any class of Equity Securities;

(b) Any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and

(c) Any relative or spouse of such person, or any relative of such spouse, any one (1) of whom has the same home as such person or is a director or officer of the corporation or any of its Affiliates.

(3) "Beneficial Owner," when used with respect to any Voting Stock, means a person:

(a) Who, individually or with any of its Affiliates or Associates, beneficially owns Voting Stock, directly or indirectly; or

(b) Who, individually or with any of its Affiliates or Associates, has:

1. The right to acquire Voting Stock, whether such right is exercisable immediately or only after the passage of time and whether or not such right is exercisable only after specified conditions are met, pursuant to any agreement, arrangement, or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise;

2. The right to vote Voting Stock pursuant to any agreement, arrangement, or understanding; or

3. Any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting or disposing of Voting Stock with any other person who beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, such shares of Voting Stock.

(4) "Business Combination" means:

(a) Any merger or consolidation of the Company or any Subsidiary with any Interested Shareholder, or any other corporation, whether or not itself an Interested Shareholder, which is, or after the merger or consolidation would be, an Affiliate of an Interested Shareholder who was an Interested Shareholder prior to the transaction;

(b) Any sale, lease, transfer, or other disposition, other than in the ordinary course of business, in one (1) transaction or a series of transactions in any twelve-month period, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any Subsidiary, of any assets of the Company or any Subsidiary having, measured at the time the transaction or transactions are approved by the Board of Directors of the Company, an aggregate book value as of the end of the

Company's most recently ended fiscal quarter of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth as of the end of its most recently ended fiscal quarter;

(c) The issuance or transfer by the Company, or any Subsidiary, in one transaction or a series of transactions in any twelve-month period, of any Equity Securities of the Company or any Subsidiary which have an aggregate Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company, determined as of the end of the Company's most recently ended fiscal quarter prior to the first such issuance or transfer, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any of its Subsidiaries, except pursuant to the exercise of warrants or rights to purchase securities offered pro rata to all holders of the Company's Voting Stock or any other method affording substantially proportionate treatment to the holders of Voting Stock;

(d) The adoption of any plan or proposal for the liquidation or dissolution of the Company in which any thing other than cash will be received by an Interested Shareholder or any Affiliate of any Interested Shareholder; or

(e) Any reclassification of securities, including any reverse stock split; or recapitalization of the Company; or any merger or consolidation of the Company with any of its Subsidiaries; or any other transaction which has the effect, directly or indirectly, in one transaction or a series of transactions, of increasing by five percent (5%) or more the proportionate amount of the outstanding shares of any class of Equity Securities of the Company or any Subsidiary which is directly or indirectly beneficially owned by any Interested Shareholder or any Affiliate of any Interested Shareholder.

(5) "Common Stock" means any stock of the Company other than preferred or preference stock of the Company.

(6) "Continuing Director" means any member of the Company's Board of Directors who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its Affiliates, other than the Company or any of its Subsidiaries, and who was a director of the Company prior to the time the Interested Shareholder became an Interested Shareholder, and any successor to such Continuing Director who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its

Affiliates, other than the Company or any of its Subsidiaries, and was recommended or elected by a majority of the Continuing Directors at a meeting at which a quorum consisting of a majority of the Continuing Directors is present.

(7) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of ten percent (10%) or more of the votes entitled to be cast by a corporation's Voting Stock creates a presumption of control.

(8) "Equity Security" means:

(a) Any stock or similar security, certificate of interest, or participation in any profit-sharing agreement, voting trust certificate, or certificate of deposit for the foregoing;

(b) Any security convertible, with or without consideration, into an Equity Security, or any warrant or other security carrying any right to subscribe to or purchase an Equity Security; or

(c) Any put, call, straddle, or other option, right or privilege of acquiring an Equity Security from or selling an Equity Security to another without being bound to do so.

(9) "Interested Shareholder" means any person, other than the Company or any of its Subsidiaries, who:

(a) Is the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the outstanding Voting Stock of the Company; or is an Affiliate of the Company and at any time within the two-year period immediately prior to the date in question was the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the then outstanding Voting Stock of the Company.

(b) For the purpose of determining whether a person is an Interested Shareholder, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned by the person through application of Subsection (3) of this Paragraph A of Article Seventh but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement, or understanding, or upon exercise of conversion rights, warrants or options or otherwise.

(10) "Market Value" means:

(a) In the case of stock, the highest closing sale price during the thirty-day period immediately preceding the date in question of a share of such stock on the composite tape for New York Stock Exchange listed stocks, or, if such stock is not quoted on the composite tape, on the New York Stock Exchange, or if such stock is not listed on such exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the thirty-day period preceding the date in question on the National Association of Securities Dealers, Inc., Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present; and

(b) In the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(11) "Subsidiary" means any corporation of which Voting Stock having a majority of the votes entitled to be cast is owned, directly or indirectly, by the Company.

(12) "Voting Stock" means shares of capital stock of a corporation entitled to vote generally in the election of its directors.

B. MINIMUM SHARE VOTE REQUIREMENTS FOR APPROVAL OF BUSINESS COMBINATIONS.

(1) In addition to any vote otherwise required by law or these Articles of Incorporation, a Business Combination shall be recommended by the Board of Directors of the Company and approved by the affirmative vote of at least:

(a) Eighty percent (80%) of the votes entitled to be cast by outstanding shares of Voting Stock of the Company, voting together as a single voting group; and

(b) Two-thirds of the votes entitled to be cast by holders of Voting Stock other than Voting Stock

beneficially owned by the Interested Shareholder who is, or whose Affiliate is, a party to the Business Combination or by an Affiliate or Associate of such Interested Shareholder, voting together as a single voting group.

(2) Unless a Business Combination is exempted from the operation of this Paragraph B in accordance with Paragraph C of this Article Seventh, the failure to comply with the voting requirements of Subsection (1) of this Paragraph B shall render such Business Combination void.

C. EXEMPTIONS FROM MINIMUM SHARE VOTE REQUIREMENTS.

(1) For purposes of Section (2) of this Paragraph C:

(a) "Announcement Date" means the first general public announcement of the proposal or intention to make a proposal of the Business Combination or its first communication generally to stockholders of the Company, whichever is earlier;

(b) "Determination Date" means the date on which an Interested Shareholder first became an Interested Shareholder; and

(c) "Valuation Date" means

1. For a Business Combination voted upon by stockholders, the latter of the day prior to the date of the stockholders' vote or the date twenty (20) days prior to the consummation of the Business Combination; and

2. For a Business Combination not voted upon by stockholders, the date of the consummation of the Business Combination.

(2) The vote required by Section B of this Article Seventh does not apply to a Business Combination if each of the following conditions is met:

(a) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of Common Stock in such Business Combination is at least equal to the highest of the following:

1. The highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of Common Stock of the same class or series acquired by it:

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The Market Value per share of Common Stock of the same class or series on the Announcement Date or on the Determination Date, whichever is higher; or

3. The price per share equal to the Market Value per share of Common Stock of the same class or series determined pursuant to clause 2 of this Subsection (a), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of Common Stock of the same class or series acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of Common Stock of the same class or series on the first day in such two-year period on which the Interested Shareholder acquired any shares of Common Stock.

(b) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of shares of any class or series of outstanding stock other than Common Stock is at least equal to the highest of the following, whether or not the Interested Shareholder has previously acquired any shares of a particular class or series of stock:

1. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of such class of stock acquired by it:

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The highest preferential amount per share to which the holders of shares of such class of stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company; or

3. The Market Value per share of such class of stock on the Announcement Date or on the Determination Date, whichever is higher; or

4. The price per share equal to the Market Value per share of such class of stock determined pursuant to clause 3 of this Subsection (b), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of any class of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of the same class of Voting Stock on the first day in such two-year period on which the Interested Shareholder acquired any shares of the same class of Voting Stock.

(c) In making any price calculation under Section (2) of this Paragraph C, appropriate adjustments shall be made to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock. The consideration to be received by holders of any class or series of outstanding stock is to be in cash or in the same form as the Interested Shareholder has previously paid for shares of the same class or series of stock. If the Interested Shareholder has paid for shares of any class of stock with varying forms of consideration, the form of consideration for such class of stock shall be either cash or the form used to acquire the largest number of shares of such class or series of stock previously acquired by it.

(d) 1. After the Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

a. There shall have been no failure to declare and pay at the regular date therefor any full periodic dividends, whether or not

cumulative, on any outstanding preferred stock of the Company;

b. There shall have been no reduction in the annual rate of dividends paid on any class or series of stock of the Company that is not preferred stock, except as necessary to reflect any subdivision of the stock; and an increase in such annual rate of dividends as necessary to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock; and

c. The Interested Shareholder shall not become the Beneficial Owner of any additional shares of stock of the Company except as part of the transaction which resulted in such Interested Shareholder becoming an Interested Shareholder or by virtue of proportionate stock splits or stock dividends.

2. The provisions of subclauses a and b of clause 1 do not apply if no Interested Shareholder or an Affiliate or Associate of the Interested Shareholder voted as a director of the Company in a manner inconsistent with such subclauses and the Interested Shareholder, within ten (10) days after any act or failure to act inconsistent with such subclauses, notifies the Board of Directors of the Company in writing that the Interested Shareholder disapproves thereof and requests in good faith that the Board of Directors rectify such act or failure to act.

(e) After the Interested Shareholder has become an Interested Shareholder, the Interested Shareholder may not have received the benefit, directly or indirectly, except proportionately as a stockholder, of any loans, advances, guarantees, pledges or other financial assistance provided by the Company or any Subsidiary, whether in anticipation of or in connection with such Business Combination or otherwise.

(3) (a) The vote required by Section B of this Article Seventh does not apply to any Business Combination that is approved by a majority of Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(b) Unless by its terms a resolution adopted under the foregoing subsection (a) of this Section (3) is made irrevocable, it may be altered or repealed by the Board of Directors, but this shall not affect any Business Combinations that have been consummated, or are the subject of an existing agreement entered into, prior to the alteration or repeal.

D. Powers of the Board of Directors. A majority of the Continuing Directors of the Company shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article Seventh, including without limitation, (a) whether a person is an Interested Shareholder, (b) the number of shares of Voting Stock beneficially owned by any person, (c) whether a person is an Affiliate or Associate of another, (d) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Company or any Subsidiary in any Business Combination has, an aggregate book value or Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth, and (e) whether the requirements of Paragraph C of this Article Seventh have been met.

E. No Effect on Fiduciary Obligations of Interested Shareholders. Nothing contained in this Article Seventh shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

F. Amendment or Repeal. Notwithstanding any other provisions of this Article Seventh or of any other Article hereof, or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Seventh, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Seventh may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least: (i) 80% of the combined voting power of the then outstanding Voting Stock of the Company, voting together as a single class and (ii) 66-2/3% of the combined voting power of the then outstanding Voting Stock (which is not beneficially owned by any Interested Shareholder), voting together as a single class.

EIGHTH. A. Number, Election and Terms of Directors. The business of the Company shall be managed by a Board of Directors. The number of directors of the Company shall be fixed from time to time by or pursuant to the By-Laws of the Company. Except as otherwise provided in or fixed by or

pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as shall be provided in the manner specified in the By-Laws of the Company, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of stockholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

B. Stockholder Nomination of Director Candidates and Introduction of Business. Advance notice of stockholder nominations for the election of directors, and advance notice of business to be brought by stockholders before an annual meeting of stockholders, shall be given in the manner provided in the By-Laws of the Company.

C. Newly Created Directorships and Vacancies. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

D. Removal. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph D, if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part. Whenever in this Article Eighth or in Article Ninth hereof or in Article Tenth hereof, the phrase, "the then outstanding shares of the Company's stock entitled to vote generally" is used, such phrase shall mean each then outstanding share of any class or series of the Company's stock that is entitled to vote generally in the election of the Company's directors.

E. Amendment or Repeal. Notwithstanding any other provisions of this Article Eighth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Eighth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Eighth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

NINTH. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting only if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders of the Company may be called only by the Board of Directors pursuant to a resolution approved by a

majority of the entire Board of Directors or by the President of the Company. Notwithstanding any other provisions of this Article Ninth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Ninth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Ninth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

TENTH. The Board of Directors shall have power to adopt, amend and repeal the By-Laws of the Company to the maximum extent permitted from time to time by Kentucky law; provided, however, that any By-Laws adopted by the Board of Directors under the powers conferred hereby may be amended or repealed by the Board of Directors or by the holders of at least a majority of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class, except that, and notwithstanding any other provisions of this Article Tenth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Tenth, any other Article hereof or the By-Laws of the Company), no provision of Section 2, Section 4 or Section 5 of Article I of the By-Laws or of Section 1 of Article II of the By-Laws or of Section 2 of Article IV of the By-Laws or of Article IX of the By-Laws may be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding any other provisions of this Article Tenth or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Tenth, any other Article hereof or the By-Laws of the Company), the provisions of this Article Tenth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

[The following are resolutions that were duly adopted by the Company's Board of Directors and that set forth in accordance with the Kentucky Business Corporation Act certain of the terms of several series of the Company's Preferred Stock (without par value).]

PREFERRED STOCK RESOLUTIONS

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$8.72 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$8.72; the initial dividend in respect of such share of said series shall be payable on October 15, 1976, when and as declared by the Board of Directors of this Company, to holders of record on September 30, 1976, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$108.72 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to July 1, 1981; \$105.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1981, and prior to July 1, 1986; \$103.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1986, and prior to July 1, 1991; and \$101.00 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1991; provided, that none of the shares

of said series may be redeemed by the Company prior to July 1, 1981, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$8.72 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$8.72 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when

returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$8.90 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$8.90; the initial dividend in respect of such share of said series shall be payable on October 16, 1978, when and as declared by the Board of Directors of this Company, to holders of record on September 29, 1978, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$108.90 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to July 1, 1983; \$106.68 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1983, and prior to July 1, 1988; \$104.45 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1988, and prior to July 1, 1993; and \$102.23 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1993; provided, that none of the shares of said series may be redeemed by the Company prior to July 1,

1983, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$8.90 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$8.90 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when

returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

RESOLVED, By the Board of Directors of Louisville Gas and Electric Company, a Kentucky corporation,

(1) That a series consisting of 250,000 shares of the Preferred Stock (without par value) of the Company is hereby created and established out of the authorized and unissued shares of the Preferred Stock (without par value) of the Company; said series, and each share thereof, shall be designated "\$9.54 Cumulative Preferred Stock (without par value)"; and all of said two hundred and fifty thousand (250,000) shares of said series are hereby authorized to be issued by the Company;

(2) That the annual dividend payable in respect of each share of said series shall be \$9.54, the initial dividend in respect of such share of said series shall be payable on January 15, 1980, when and as declared by the Board of Directors of this Company, to holders of record on December 31, 1979, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month;

(3) That the shares of said series shall be subject to redemption, in whole at any time or in part from time to time, upon the notice and in the manner and with the effect provided in the Articles of Incorporation (as amended) of the Company; and the redemption price or prices applicable to shares of said series shall be \$109.54 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is prior to October 1, 1984; \$107.16 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1984, and prior to October 1, 1989; \$104.77 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1989, and prior to October 1, 1994; and \$102.39 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to October 1, 1994; provided, that none of the shares of said series may be redeemed by the Company prior to

October 1, 1984, from the proceeds received through the incurring of debt, or through the issuance of preferred stock ranking equally with or prior to said series as to dividends or on liquidation, where such debt has an effective interest cost or such preferred stock has an effective dividend cost to the Company of less than the effective dividend cost to the Company of said series.

(4) That the preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$9.54 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100 per share; or \$100 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) That the shares of said series shall be subject to all the terms, provisions and restrictions set forth in the Articles of Incorporation (as amended) of the Company with respect to shares of the Preferred Stock (without par value) of the Company and, excepting only as to the rate of dividend per annum payable in respect of the shares of said series, the redemption price or prices applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

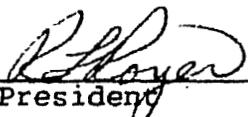
(6) That the stated value of the shares of said series shall be \$100 per share.

AND FURTHER RESOLVED: That prior to the issuance by the Company of any shares of said \$9.54 Cumulative Preferred Stock (without par value), the Company shall execute and file in the office of the Secretary of State of the State of Kentucky such statement or certificate with respect to said shares as is required by statutes of the State of Kentucky; and, after such filing of said statement or certificate, the officers of the Company shall cause the duplicate original thereof, when returned to the Company by the Secretary of State, to be filed for record in the office of the Clerk of the County Court of Jefferson County being the county in which the registered office of the Company is situated.

IN WITNESS WHEREOF, Louisville Gas and Electric Company has caused these Restated Articles of Incorporation to be duly executed by its President and its Secretary this 7TH day of October 1987.

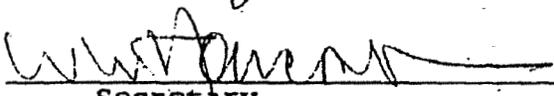
LOUISVILLE GAS AND ELECTRIC COMPANY

By:



President

By:



Secretary

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STATE OF KENTUCKY
COUNTY OF JEFFERSON

I, C. M. HAYS, a notary public, do hereby certify that on this 7TH day of October 1987, personally appeared before me R. L. Royer and W. W. Hancock, Jr., who, being by me first duly sworn, severally declared and acknowledged before me that they are President and Secretary, respectively, of Louisville Gas and Electric Company, that they signed foregoing document as President and Secretary, respectively, of the Corporation and that the statements therein contained are true.

My Commission Expires: SEPT. 20, 1988

C M Hays
Notary Public

This instrument prepared by:

Charles G. Middleton, III
MIDDLETON & REUTLINGER
2500 Brown & Williamson Tower
Louisville, Kentucky 40242
(502)584-1135

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ARTICLES OF AMENDMENT TO
THE RESTATED ARTICLES OF INCORPORATION OF
LOUISVILLE GAS AND ELECTRIC COMPANY # 32196-plate

Pursuant to the provisions of Kentucky Revised Statutes 271B.10-060, et seq., the undersigned Corporation adopts the following Articles of Amendment to its Restated Articles of Incorporation:

1. The name of the Corporation is Louisville Gas and Electric Company.

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2. The following Amendment to the Restated Articles of Incorporation of Louisville Gas and Electric Company was recommended by the Board of Directors and adopted at its Annual Meeting of Shareholders on May 9, 1989 by its shareholders in the manner prescribed by the Kentucky Business Corporation Act:

The Restated Articles of Incorporation of Louisville Gas and Electric Company shall be amended by adding the following as Article Eleventh and Twelfth:

ELEVENTH. A director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of his duties as a director, except for liability (i) for any transaction in which the director's personal financial interest is in conflict with the financial interests of the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law, (iii) under Kentucky Revised Statutes 271 B.3-330, or (iv) for any transaction from which the director derived any improper personal benefit. If the Kentucky Business Corporation Act is amended after approval by the stockholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the Kentucky Business Corporation Act, as so amended.

Any repeal or modification of the foregoing paragraph by the stockholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of such repeal or modification.

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DATE MAY 25 1989
TIME 12:02 PM
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BREMER EHSLER
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY [Signature]

TWELFTH. A. RIGHT TO INDEMNIFICATION. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than such law permitted the Company to provide prior to such amendment), against all liability, all reasonable expense and all loss (including, without limitation, judgments, fines, reasonable attorneys' fees, ERISA excise taxes or penalties and amounts paid in settlement) incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all liability, all reasonable expense and all loss (including, without limitation, judgments, fines, reasonable attorneys' fees, ERISA excise taxes or penalties and amounts paid in settlement) incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs, executors and administrators. Notwithstanding the foregoing and except as provided in Paragraph B of this Article Twelfth with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article Twelfth, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article Twelfth. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he or she has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses conferred in this Paragraph A shall be a contract right.

B. RIGHT OF INDEMNITEE TO BRING SUIT. If a claim under Paragraph A of this Article Twelfth is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, a committee of the Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard, nor an actual determination by the Company (including its Board of Directors, a committee of the Board of Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard, shall create a presumption that the indemnitee has not met the applicable standard or, in the case of such a suit brought by the indemnitee, shall be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article Twelfth or otherwise shall be on the Company.

C. NON-EXCLUSIVITY OF RIGHTS. The rights to indemnification and to the advancement of expenses conferred in this Article Twelfth shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, these Articles of Incorporation, any By-Law, any agreement, any vote of stockholders or disinterested directors or otherwise.

D. INSURANCE. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

E. INDEMNIFICATION OF EMPLOYEES AND AGENTS. The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a joint venture, trust or other enterprise to the fullest extent of the provisions of this Article Twelfth with respect to the indemnification and advancement of expenses of either directors or officers of the Company.

F. REPEAL OR MODIFICATION. Any repeal or modification of any provision of this Article Twelfth shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

G. SEVERABILITY. In case any one or more of the provisions of this Article Twelfth, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions in this Article Twelfth, and any other application thereof, shall not in any way be affected or impaired thereby.

3. The only voting group entitled to vote on the foregoing amendment was owners of record on March 24, 1989 of the Corporation's Common Stock (without par value) and Preferred Stock (\$25 par value), voting together as one class.

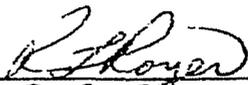
4. The designation, number of outstanding shares, number of votes entitled to be cast by the voting group entitled to vote on the amendments and number of votes of the voting group indisputably represented at the meeting were as follows:

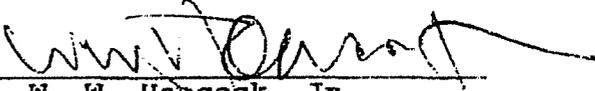
<u>Designation (voting together as one class)</u>	<u>Number of outstanding shares</u>	<u>Number of votes entitled to be cast</u>	<u>Number of votes indisputably represented at the meeting</u>
Common Stock (without par value) and Preferred Stock (\$25 par value)	22,442,261	22,442,261	19,098,496

5. The total number of votes cast for the amendment, against the amendment and abstaining regarding the amendment by the voting group entitled to vote on the amendment was as follows: 17,726,543 votes for, 960,522 votes against and 411,431 votes abstaining. Therefore, the amendment passed by a favorable vote of 78.9%.

IN TESTIMONY WHEREOF, witness the signatures of the duly
qualified officers of Louisville Gas and Electric Company
this 25TH day of May 1989.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
R. L. Royer
President

By: 
W. W. Hancock, Jr.
Secretary

STATE OF KENTUCKY
COUNTY OF JEFFERSON

I, C. M. HAYS, a notary public, do hereby certify that on this 25TH day of May 1989, personally appeared before me R. L. Royer and W. W. Hancock, Jr., who, being by me first duly sworn, severally declared and acknowledged before me that they are President and Secretary, respectively, of the Louisville Gas and Electric Company, that they signed the foregoing document as President and Secretary, respectively, of the Corporation and that the statements therein contained are true.

My Commission Expires: SEPT. 20, 1992

C M Hays

Notary Public

This instrument prepared by:

Charles G. Middleton, III
Charles G. Middleton, III
MIDDLETON & REUTLINGER
2500 Brown & Williamson Tower
Louisville, Kentucky 40202
(502)584-1135

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ARTICLES OF SHARE EXCHANGE

OF

LEGE ENERGY CORP. 216525 - 1/21/90

Wey

AND

LOUISVILLE GAS AND ELECTRIC COMPANY 21196 - 9/21/90

SHARES OF COMMON STOCK OF
LOUISVILLE GAS AND ELECTRIC COMPANY
WERE EXCHANGED FOR SHARES OF
LEGE ENERGY CORP.

601026

Pursuant to the provisions of Section 271B.11-050 of the Kentucky Revised Statutes, the undersigned corporations adopt the following articles of share exchange:

1. The plan of share exchange is set forth as Exhibit A.
2. The plan of share exchange was approved by the shareholders and:

(1) the designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the plan as to each corporation were:

<u>Name of Corporation</u>	<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled To Be Cast</u>
LEGE Energy Corp.	Common Stock	10	10
Louisville Gas and Electric Company	(a) Common Stock	21,122,888	21,122,888
	(b) Common Stock and Preferred Stock (par value \$25 per share)	22,342,888	22,342,888

(10) the total number of undisputed votes cast for the plan separately by each voting group was:

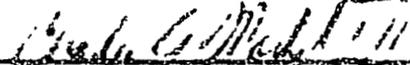
<u>Name of Corporation</u>	<u>Voting Group</u>	<u>Total Number of Undisputed Votes Cast For the Plan</u>
LG&E Energy Corp.	Common Stock	10
Louisville Gas and Electric Company	(a) Common Stock	15,522,355
	(b) Common Stock and Preferred Stock (par value \$25 per share)	16,866,077

and the number cast for the plan by each voting group was sufficient for approval by that group.

3. The effective time and date of these Articles of Share Exchange and the share exchange effectuated hereby is 4:00 p.m., E.D.T., on August 17, 1990.

Dated: August 14, 1990

LG&E ENERGY CORP.

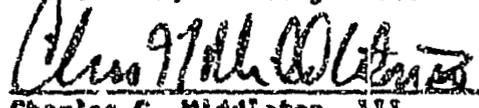

Charles A. Markel, III
Vice President, Secretary and Treasurer

Dated: August 14, 1990

LOUISVILLE GAS AND ELECTRIC COMPANY


Christina A. Hansen
Vice President, General Counsel and Secretary

Prepared by: Middleton & Hurlinger
2500 Brown & Williamson Tower
Louisville, Kentucky 40202

By: 
Charles G. Middleton, III

9009C

EXHIBIT "A"

AGREEMENT AND PLAN OF EXCHANGE

THIS AGREEMENT AND PLAN OF EXCHANGE (this "Agreement") is between LOUISVILLE GAS AND ELECTRIC COMPANY, a Kentucky corporation ("LG&E"), the company whose shares will be acquired pursuant to the Exchange described herein, and LG&E ENERGY CORP., a Kentucky corporation (the "Company"), the acquiring company. LG&E and the Company are herein-after referred to, collectively, as the "Companies."

W H E R E A S :

WHEREAS, the authorized capital stock of LG&E consists of (a) 75,000,000 shares of Common Stock, without par value ("LG&E Common Stock"), of which more than 21,990,000 shares are issued and outstanding, (b) 6,750,000 shares of Preferred Stock, without par value but with a maximum aggregate stated value not to exceed \$225,000,000 ("LG&E Preferred Stock, without par value"), of which 750,000 shares are issued and outstanding and (c) 1,720,000 shares of Preferred Stock, par value \$25 per share ("LG&E \$25 Preferred Stock"), of which 1,720,000 shares are issued and outstanding;

WHEREAS, the Company is a wholly-owned subsidiary of LG&E with authorized capital stock consisting of (a) 75,000,000 shares of Common Stock, without par value ("Company Common Stock"), of which 10 shares are issued and outstanding and owned of record by LG&E and

(b) 5,000,000 shares of Preferred Stock, without par value, of which no shares are issued and outstanding;

WHEREAS, the Boards of Directors of the respective Companies deem it desirable and in the best interests of the Companies and their shareholders that the Company acquire each share of issued and outstanding LG&E Common Stock and that such LG&E Common Stock be exchanged for a share of Company Common Stock with the result that the Company becomes the owner of all outstanding LG&E Common Stock, all on the terms and conditions hereinafter set forth;

WHEREAS, the execution and delivery of this Agreement by LG&E and the Company and the Exchange (as hereinafter defined) and the related transactions have been approved, to the extent required, by orders, authorizations or approvals, of the Public Service Commission of Kentucky and the Federal Energy Regulatory Commission under the Federal Power Act;

WHEREAS, the Internal Revenue Service has issued a ruling with respect to the federal income tax consequences of the Exchange and related transactions;

WHEREAS, LG&E has obtained all necessary regulatory and other approvals to reduce its share ownership of Ohio Valley Electric Corporation ("OVEC") to below 5% of the total outstanding shares of OVEC and to merge Ohio Valley Transmission Corporation into LG&E; and

par value issued and outstanding immediately prior to the Effective Time shall continue to be issued and outstanding following the Exchange and to be a share of LG&E Preferred Stock, without par value of the applicable series designation. Each share of LG&E \$25 Preferred Stock issued and outstanding immediately prior to the Effective Time (other than shares held by holders who have perfected their dissenters' rights under KRS 271B.13-010 through KRS 271D.13-310) shall continue to be issued and outstanding following the Exchange and to be a share of LG&E \$25 Preferred Stock of the applicable series designation. Holders of shares of LG&E \$25 Preferred Stock who have perfected their dissenters' rights under KRS 271D.13-010 through KRS 271D.13-310 shall have the rights specified in such Sections.

ARTICLE III

The consummation of the Exchange is subject to the following conditions precedent:

(1) the satisfaction of the respective obligations of the parties hereto in accordance with the terms and conditions herein contained;

(2) the adoption of this Agreement by the requisite vote of the holders of the LG&E Common Stock and LG&E \$25 Preferred Stock and by the requisite vote of the shareholder of the Company pursuant to the Kentucky Business Corporation Act (the "Act");

ARTICLE VI

Following the Effective Time, other than holders of certificates theretofore representing shares of LG&E Common Stock who perfect their dissenters' rights under KRS 271B.13-010 through KRS 271B.13-310, each holder of an outstanding certificate or certificates theretofore representing shares of LG&E Common Stock may, but shall not be required to, surrender the same to the Company for cancellation and reissuance of a certificate or certificates in such holder's name or for cancellation and transfer, and each such holder or transferee will be entitled to receive a certificate or certificates representing the same number of shares of the Company Common Stock as the shares of LG&E Common Stock previously represented by the certificate or certificates surrendered. Until so surrendered or presented for transfer, each outstanding certificate which, immediately prior to the Effective Time, represented LG&E Common Stock (other than certificates held by holders of LG&E Common Stock who have perfected their dissenters' rights under KRS 271B.13-010 through KRS 271B.13-310), shall be deemed and treated for all corporate purposes to represent the ownership of the same number of shares of Company Common Stock as though such surrender or transfer and exchange had taken place. The holders of LG&E Common Stock at the Effective Time shall have no right to have their

shares of LG&E Common Stock transferred on the stock transfer books of LG&E, and such stock transfer books shall be deemed to be closed for this purpose at the Effective Time.

IN WITNESS WHEREOF, both LG&E and the Company, pursuant to authorization given by the Boards of Directors, have caused this Agreement to be executed by the Presidents and the corporate seals to be affixed hereto and attested by the Secretaries as of August 10, 1990.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: *R. W. Allen*
President

ATTEST:

[Signature]
Secretary

(SEAL)

LG&E ENERGY CORP.

By: *R. W. Allen*
President

ATTEST:

[Signature]
Secretary

(SEAL)

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RECEIVED AND FILED 32196
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Parent-Subsidiary Merger of a Foreign Corporation
Into a Domestic Corporation
OFFICE OF THE SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY

ARTICLES OF MERGER

OF

OHIO VALLEY TRANSMISSION CORPORATION ^{NQ}
(Subsidiary corporation, an Indiana corporation)

INTO

LOUISVILLE GAS AND ELECTRIC COMPANY ^{#32196}
(Parent corporation, a Kentucky corporation) ^{plat.}

608914

Pursuant to KRS 271B.11-040, 271B.11-050 and 271B.11-070, the undersigned corporation, LOUISVILLE GAS AND ELECTRIC COMPANY, a corporation of the State of Kentucky, owning 100% of the outstanding shares of each class of OHIO VALLEY TRANSMISSION CORPORATION, a corporation of the State of Indiana, adopts the following Articles of Merger:

FIRST: The names of the corporations participating in the merger and the states under the laws of which they are respectively organized are as follows:

<u>Name of Corporation</u>	<u>State</u>
LOUISVILLE GAS AND ELECTRIC COMPANY	Kentucky
OHIO VALLEY TRANSMISSION CORPORATION	Indiana

SECOND: The laws of the state under which the foreign participating corporation is organized permits such merger under substantially the same terms as KRS 271B.11-040 and 271B.11-050.

THIRD: The name of the surviving corporation is LOUISVILLE GAS AND ELECTRIC COMPANY, and such corporation is to be governed by the laws of the State of Kentucky.

FOURTH: The plan of merger set forth in Exhibit A attached hereto was approved by the Board of Directors of the undersigned corporation.

FIFTH: In accordance with KRS 271B.11-040 and 271B.11-050 and the comparable provisions of Indiana law, shareholder approval of the plan of merger was not required under the Kentucky Business Corporation Act or the Indiana Business Corporation Law.

Approval of the plan of merger by the shareholders of the participating corporations was sought and obtained in accordance with § 8-1-2-84 of the Indiana Code, which may govern the merger of two public utilities whose lines intersect in Indiana. The following table sets forth for the participating corporations the designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the plan of merger under § 8-1-2-84 of the Indiana Code and the undisputed votes cast for the plan of merger by each such voting group:

<u>Name of Corporation</u>	<u>Designation</u>	<u>Number of Outstanding Shares And Votes Entitled To Be Cast</u>	<u>Total Number of Undisputed Votes Cast For The Plan</u>
Louisville Gas and Electric Company	(a) Common Stock	21,122,888	15,522,355
	(b) Common Stock and Preferred Stock (par value \$25 per share)	22,842,888	16,865,077
Ohio Valley Transmission Corporation	Common Stock	1,000	1,000

The number of votes cast for the plan of merger by each voting group was sufficient for approval by that group under § 8-1-2-84 of the Indiana Code.

SIXTH: In accordance with KRS 271B.11-040, LOUISVILLE GAS AND ELECTRIC COMPANY, the only shareholder of the subsidiary corporation, in writing waived the necessity of mailing a copy of the plan of merger to it.

SEVENTH: The effective time and date of these Articles of Merger and the merger effectuated hereby shall be 2:00 p.m., E.D.T., on August 17, 1990.

Dated this 14th day of August, 1990.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: Charles A. Markel III
Charles A. Markel, III
Vice President - Finance and
Treasurer

Prepared by: Middleton & Reutlinger
2500 Brown & Williamson Tower
Louisville, Kentucky 40402

By: Charles G. Middleton III
Charles G. Middleton, III

9805C

EXHIBIT "A"

PLAN AND AGREEMENT OF MERGER

PLAN AND AGREEMENT OF MERGER ("Agreement") dated this 10th day of August, 1990 by and between LOUISVILLE GAS AND ELECTRIC COMPANY ("LG&E" or "Surviving Corporation"), a Kentucky corporation, and OHIO VALLEY TRANSMISSION CORPORATION ("Ohio Valley"), an Indiana corporation.

W I T N E S S E T H

WHEREAS, the Board of Directors of Ohio Valley deems it advisable for the general welfare and advantage of Ohio Valley and its stockholders that Ohio Valley merge with and into LG&E pursuant to this Agreement and the applicable laws of the States of Kentucky and Indiana;

WHEREAS, Ohio Valley is a corporation duly organized, validly existing and in good standing under the laws of the State of Indiana;

WHEREAS, the outstanding capital stock of Ohio Valley consists of 1,000 shares of common stock (the "Ohio Valley Common Stock"), all of which is owned by LG&E;

WHEREAS, LG&E is a corporation duly organized, validly existing and in good standing under the laws of the State of Kentucky and its outstanding capital stock is publicly-held;

WHEREAS, LG&E is a public utility doing business in Kentucky and Ohio Valley owns certain utility assets that are necessary in LG&E's operations;

WHEREAS, the utility operations of LG&E and Ohio Valley are presently operated as an integrated system;

WHEREAS, it is desirable to merge Ohio Valley into LG&E in order, among other things, to place all utility assets used in LG&E's business in LG&E.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, Ohio Valley hereby agrees that it shall be merged with and into LG&E and LG&E shall be the Surviving Corporation in accordance with the applicable laws of the States of Indiana and Kentucky and that the terms and conditions of the merger and the mode of carrying it into effect are and shall be as hereinafter set forth.

Section 1. Effective Date.

The merger provided for in this Agreement shall become effective at such time and date ("Effective Time") specified in the Articles of Merger referred to in subparagraph (b) of this Section, subject to the completion of the following:

(a) This Agreement shall have been duly approved by the requisite vote of the shareholders of LG&E and Ohio Valley as and to the extent required by Kentucky and Indiana law;

(b) This Agreement or Articles of Merger shall have been duly executed, acknowledged and filed on behalf of LG&E and Ohio Valley with the Secretaries of State of the States of Indiana and Kentucky as required by the Indiana General Corporation Act and by the Kentucky Business Corporation Act; and

(c) The Indiana Utility Regulatory Commission and the Federal Energy Regulatory Commission shall have issued orders, satisfactory to LG&E and Ohio Valley, approving the transactions contemplated by this Agreement and, if requested, the Internal Revenue Service shall have issued a favorable ruling, satisfactory to LG&E and Ohio Valley, with respect to the transactions contemplated by this Agreement.

Section 2. Name.

Upon the Effective Time, the name of the Surviving Corporation shall remain "LOUISVILLE GAS AND ELECTRIC COMPANY."

Section 3. Articles of Incorporation and By-laws.

The Articles of Incorporation of LG&E as in effect immediately prior to the Effective Time and the By-laws of LG&E as in effect immediately prior to the Effective Time shall be the Articles of Incorporation and By-laws of the Surviving Corporation from and after the Effective Time, subject to the right of the Surviving Corporation to amend its Articles of Incorporation and By-laws in accordance with the laws of the State of Kentucky.

Section 4. Manner of Converting Shares; Capitalization.

The mode of carrying the merger into effect and the manner and basis of converting the shares of Ohio Valley upon the Effective Time, are as follows:

(a) Each share of Ohio Valley Common Stock which is issued and outstanding and held by LG&E prior to the Effective Time shall be cancelled.

(b) Each share of LG&E capital stock which is issued and outstanding immediately prior to the Effective Time shall, by virtue of the merger and without any action on the part of the holders thereof, remain an identical issued and outstanding share of capital stock of the Surviving Corporation (other than shares of LG&E Common Stock or Preferred Stock, par value \$25 per share, held by holders who perfect their dissenters' rights, if any, under Indiana or Kentucky law). Such holders who perfect their dissenters' rights, if any, shall have the rights provided by Indiana or Kentucky law, as the case may be.

Section 5. Board of Directors and Officers.

From and after the Effective Time, the members of the Board of Directors of LG&E shall be the Board of Directors of the Surviving Corporation until the election and qualification of their respective successors. The elected officers of LG&E, who shall continue in office, shall be the elected officers of the Surviving Corporation from and after the Effective Time, until the election and qualification of their respective successors.

Section 6. Effect of the Merger.

Upon the Effective Time, Ohio Valley shall be merged with and into the Surviving Corporation and the separate corporate existence of Ohio Valley shall cease pursuant to the Indiana Business Corporation Law. All rights, privileges, powers, immunities, purposes and franchises, all real property and personal property, tangible and intangible, of every kind and description, and all obligations and liabilities of Ohio Valley shall be taken by and deemed to be transferred to and vested in the Surviving Corporation, without further act or deed.

Section 7. Action by LG&E and Ohio Valley.

If this Agreement shall have been adopted and approved and executed and acknowledged in accordance with the applicable laws of the States of Indiana and Kentucky, then, provided all other conditions herein contained shall have been fulfilled at such date, this Agreement or Articles of Merger shall be filed in accordance with the laws of the States of Indiana and Kentucky as contemplated in Section 1 hereof. LG&E and Ohio Valley shall do all such other acts and things as shall be necessary or desirable in order to effectuate the merger.

Section 8. Amendment or Termination of Agreement.

This Agreement may be amended, modified or supplemented, or compliance with any provision or condition hereof may be waived, at any time, before or after the approval by the

shareholders of either or both of Ohio Valley and LG&E, by the mutual consent of the Boards of Directors of LG&E and Ohio Valley; provided, however, that no such amendment, modification, supplement or waiver shall be made or effected subsequent to approval by the shareholders of this Agreement, if such amendment, modification, supplement or waiver would, in the judgment of the Board of Directors of LG&E materially and adversely affect the shareholders of LG&E.

This Agreement may be terminated at any time prior to the Effective Time by the mutual consent of the Board of Directors of LG&E and Ohio Valley. In the event of a termination of this Agreement pursuant to this Section 8, this Agreement shall become null and void and each party shall pay its own costs and expenses incurred by and in connection with this Agreement, and no party (or any of its directors, officers and stockholders) shall be liable to any other party for any costs, expenses, damages or loss.

Section 9. General.

(a) At any time and from time to time prior to the Effective Time, Ohio Valley will execute such additional instruments and take such action as may be reasonably required to confirm or perfect title to any property transferred hereunder or otherwise to carry out the intent and purposes of this Agreement and the merger contemplated herein.

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

(c) The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(d) This Agreement shall not be assignable by any party hereto and shall be binding upon the parties and their respective successors.

(e) This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Kentucky.

IN WITNESS WHEREOF, the parties hereto have duly executed
this Agreement on the date and year first above written.

LOUISVILLE GAS AND ELECTRIC
COMPANY

By: R W Hane

(CORPORATE SEAL)

ATTEST:

By: Christina Hane

OHIO VALLEY TRANSMISSION
CORPORATION

By: C A Madril

(CORPORATE SEAL)

ATTEST:

By: Christina Hane

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ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

#32196.gdst
Charles A. Markel III

To the Secretary of State of Kentucky:

663837

Pursuant to the provisions of Chapter 271B of the Kentucky Revised Statutes, the undersigned corporation hereby amends its Articles of Incorporation, and for that purpose, submits the following statement:

1. The name of the corporation is Louisville Gas and Electric Company.
2. On February 5, 1992, the Board of Directors, acting on behalf of the corporation, duly adopted the Amendment to the Company's Articles of Incorporation attached hereto as Exhibit A.
3. If not contained in the Amendment itself, the manner in which any exchange, reclassification, or cancellation of issued shares provided for in the Amendment shall be implemented as follows:

Not Applicable

4. The Amendment is to be effective upon the filing of these articles by the Secretary of State.
5. The amendment was duly adopted by the Board of Directors without shareholder approval pursuant to 271B.10-020 and 271B.6-020 of the Kentucky Revised Statutes, and shareholder action was not required.

Dated: February 5, 1992

LOUISVILLE GAS AND ELECTRIC COMPANY

Charles A. Markel III

Charles A. Markel, III
Senior Vice President and
Chief Financial Officer

AMENDMENT

The Restated Articles of Incorporation are hereby amended by adding thereto a new Article Thirteenth which shall read in its entirety as follows:

THIRTEENTH. A. Terms of Preferred Stock, Auction Series A (without par value). The Company has classified 500,000 shares of the Preferred Stock (without par value) as a series of such Preferred Stock designated as "Preferred Stock, Auction Series A (without par value)." The preferences, rights, qualifications and restrictions of the shares of the "Preferred Stock, Auction Series A (without par value)" shall be as follows:

(1) Authorized Shares: Units.

The shares of Preferred Stock, Auction Series A (without par value) (hereinafter referred to as the "Series A Stock") shall be purchased, sold, transferred and redeemed only in Units of 1,000 shares per unit (a "Unit"), except as provided in subsection (d) of Section (5).

(2) Dividends.

- (a) The Holders shall be entitled to receive, when and as declared by the Board of Directors of the Company, out of funds legally available therefor, cumulative cash dividends at the dividend rate per annum, determined as, and payable on the respective dates, set forth below.
- (b) The dividend rate on shares of Series A Stock shall be 3.30% per annum during the period (the "Initial Dividend Period") from February 11, 1992 (the "Date of Original Issue") and ending on April 14, 1992 and shall be payable on April 15, 1992 (the "Initial Dividend Payment Date"). Subsequent dividends shall be equal to the rate per annum that results from implementation of the Auction Procedures, except in the case of a Payment Failure. Notwithstanding the results of any Auction, however, and subject to subsection (1) of this Section (2), the dividend rate on the Series A Stock will not exceed 25% per annum for any Dividend Period (as hereinafter defined). Dividends on shares of Series A Stock shall accrue from February 11, 1992.

- (c) As of the end of the Initial Dividend Period and any subsequent Dividend Period, the Board of Directors of the Company may designate either (i) a Dividend Period of three months which shall commence on the day immediately following the last day of the preceding Dividend Period and shall end on the fourteenth day of January, April, July or October next succeeding (a "Quarterly Period") or (ii) a Dividend Period of either 49 days or 13 weeks (in either case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as provided in subsection (g) of this Section (2)) (a "Short-Term Period"). (The Initial Dividend Period, each subsequent Quarterly Period and any Short-Term Period, individually, is referred to herein as a "Dividend Period".) If and when the Board of Directors designates a Short-Term Period, each subsequent Dividend Period shall be a Short-Term Period. In the event of a change in law altering the minimum holding period (currently found in Section 246(c) of the Internal Revenue Code of 1986, as amended (the "Code")) (the "Minimum Holding Period") required for taxpayers to be entitled to the Dividends-Received Deduction, the length of each Short-Term Period commencing after the effective date of such change in law shall be adjusted so that the number of days in such Short-Term Periods shall exceed the then-current Minimum Holding Period; provided that, (i) the Short-Term Period that originally was a 49-day Short-Term Period shall not exceed by more than nine days the length of the then-current Minimum Holding Period, (ii) the number of days in any Short-Term Period shall be evenly divisible by seven, and (iii) the maximum number of days in any Short-Term Period shall in no event exceed 98 days. Upon any such change in the number of days in a Short-Term Period, the Company shall give notice of such change to the Trust Company, the Securities Depository and each Existing Holder. Notwithstanding the provisions of this subsection (c), designation of a Short-Term Period shall be permitted only after such amendments to these Articles as are necessary to accommodate the payment of dividends for a Short-Term Period have been duly adopted.
- (d) The initial Short-Term Period shall end on a Wednesday designated by the Board of Directors of the Company which will be no earlier than the 46th day and no later than the 98th day after the last day of the preceding Quarterly Period (in any case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as provided in subsection (g)

of this Section (2)). Each subsequent Short-Term Period will commence on the day immediately following the last day of the preceding Short-Term Period and will end (i) on the seventh Wednesday thereafter, in the case of a 49-day Short-Term Period or (ii) on the thirteenth Wednesday thereafter, in the case of a 13-week Short-Term Period (in each case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period as provided in subsection (g) of this Section (2)). In the absence of a designation by the Board of Directors of the Company to the contrary, each 49-day Short-Term Period will be followed by a 49-day Short-Term Period and each 13-week Short-Term Period will be followed by a 13-week Short-Term Period.

- (e) Following any amendment of these Articles to permit dividend payments on a basis other than quarterly, and without regard to the designation by the Board of Directors of the Company of the duration of the next succeeding Dividend Period, (i) if Sufficient Clearing Bids do not result from an Auction, then the Dividend Period to which such Auction relates will be a 49-day Short-Term Period or (ii) if a Payment Failure has occurred, then the Dividend Period during which such Payment Failure has occurred, and each subsequent Dividend Period until such Payment Failure has been cured, will be a 49-day Short-Term Period (in each case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as described in subsection (g) of this Section (2)).
- (f) Dividends with respect to any Quarterly Period will be payable in arrears, when and as declared, on the fifteenth day of each January, April, July and October, unless such day is not a Business Day, in which case they shall be payable on the next succeeding Business Day (each a "Quarterly Dividend Payment Date"). Dividends with respect to any Short-Term Period shall be payable in arrears, when and as declared, on the Thursday next following the last day of the Short-Term Period (a "Short-Term Dividend Payment Date"), except as provided in subsection (g) of this Section (2). (Each Quarterly Dividend Payment Date and Short-Term Dividend Payment Date, individually, is referred to herein as a "Dividend Payment Date.")
- (g) Notwithstanding the provisions of subsections (c), (d), (e) and (f), with respect to the Short-Term Dividend Payment Date:

1. If the Thursday is not a Business Day, then the Short-Term Dividend Payment Date shall be the preceding Tuesday if both such Tuesday and the Wednesday following such Tuesday are Business Days; or
2. If the Friday following such Thursday is not a Business Day, then the Short-Term Dividend Payment Date will be the Wednesday preceding such Thursday if both such Wednesday and such Thursday are Business Days; or
3. If either (a) such Thursday is not a Business Day and either the preceding Tuesday or Wednesday is not a Business Day or (b) such Thursday is a Business Day and the Friday following such Thursday and such preceding Wednesday are not Business Days, then the Short-Term Dividend Payment Date shall be the first Business Day preceding such Thursday that is next succeeded by a Business Day.

Even though any particular Short-Term Dividend Payment Date may not occur on the originally scheduled Short-Term Dividend Payment Date because of the adjustments provided for in this subsection (g), the next succeeding Short-Term Dividend Payment Date shall occur, subject to such adjustments, on the seventh or the thirteenth Thursday, as applicable, following the originally scheduled Short-Term Dividend Payment Date. Notwithstanding the foregoing, if any Short-Term Dividend Payment Date set pursuant to this subsection (g) would occur in a number of days after the immediately preceding Short-Term Dividend Payment Date that is less than the number of days in the then-current Minimum Holding Period, the Short-Term Dividend Payment Date shall instead be the next Business Day that (i) is at least a number of days after the preceding Dividend Payment Date as to include the then-current Minimum Holding Period and (ii) is next succeeded by a Business Day. After any such adjustment pursuant to this subsection (g) to the Dividend Payment Date for any Short-Term Period, the last day of such Short-Term Period shall also be adjusted so as to be the day immediately preceding such Dividend Payment Date.

- (h) Any designation by the Board of Directors of a Short-Term Period following a Quarterly Period shall be effective upon written notice thereof given by the Company to the Trust Company and to the Securities

Depository prior to 1:00 P.M., New York City time, on the fifth Business Day prior to the Auction Date. Any designation by the Board of Directors of a change in the duration of the Short-Term Period shall be effective upon written notice thereof given by the Company to the Trust Company and to the Securities Depository prior to 1:00 P.M., New York City time, on the third Business Day prior to the Auction Date.

- (i) Dividends shall be payable to the Holders as their names appear on the stock books of the Company or of the registrar of the Series A Stock on the Business Day next preceding the Dividend Payment Date in the case of a Short-Term Period and on such date, not more than 30 days and not less than 10 days, as may be fixed by the Board of Directors, next preceding the Dividend Payment Date in the case of a Quarterly Period; provided that, if a Payment Failure exists, then such dividends shall be paid to the Holders as their names appear on the stock books on such date, not exceeding 15 days preceding the payment date thereof, as may be fixed by the Board of Directors.
- (j) Dividend rates for the shares of Series A Stock for each Dividend Period (other than the Initial Dividend Period) shall be equal to the rate per annum that results from the Auction with respect to such Dividend Period; provided that, (i) if a Payment Failure shall have occurred, the dividend rate for all Dividend Periods commencing on or after such Dividend Payment Date or redemption date and until such Payment Failure has been cured shall be a rate per annum equal to 250% of the Applicable AA Composite Commercial Paper Rate on the Business Day next preceding the commencement of each such Dividend Period (notwithstanding the results of any Auction for any such Dividend Period); and (ii) if a Payment Failure is remedied by reason of the Company having paid all dividends accrued and unpaid, and all unpaid redemption payments, on all shares of Series A Stock, the dividend rate for each Dividend Period commencing after the date on which the Payment Failure is remedied shall again be determined by an Auction. Notwithstanding the foregoing, and subject to subsection (1) of this Section (2), the dividend rate for any Dividend Period shall not exceed 25% per annum. The rate per annum at which dividends are payable on shares of Series A Stock for any Dividend Period (other than the Initial Dividend Period) is hereinafter referred to as the "Applicable Rate."

(k) The dividend per share to accrue and be payable on each share of Series A Stock for the Initial Dividend Period shall be computed by multiplying the product of 3.30% (the dividend rate for the Initial Dividend Period) and \$100 by a fraction, the numerator of which shall be the number of days in the Initial Dividend Period, including the first and last days of such Initial Dividend Period, and the denominator of which shall be 360. The dividend per share to accrue and be payable on each share of Series A Stock for each Quarterly Period shall be computed by dividing by four the product of the Applicable Rate for such Dividend Period and \$100. The dividend per share to accrue and be payable on each share of Series A Stock for any Short-Term Period shall be computed by multiplying the Applicable Rate for such Short-Term Period by a fraction, the numerator of which shall be the number of days in such Short-Term Period, including the first and last days of such Dividend Period, and the denominator of which shall be 360, and multiplying by \$100 the rate so obtained.

(l) Notwithstanding anything to the contrary contained in subarticle A of this Article Thirteenth, the dividend rate for any Dividend Period on the Series A Stock shall not exceed 25% per annum; provided, however, that if paragraph (7)(B)(b) of Article Fourth hereof is amended to provide a method for computing the dividend rate on preferred stock having dividends determined pursuant to an adjustable, floating or variable rate, then from and after the date such amendment becomes effective, this subsection (l), including the 25% restriction contained in this subsection (l), shall cease to be operative, and shall be of no force and effect and all references to this subsection (l) in subarticle A of this Article Thirteenth shall be of no force and effect.

(3) Definitions.

As used with respect to the shares of Series A Stock, the following terms shall have the following meanings, unless the context otherwise requires:

"Affiliate" shall mean any Person known to the Trust Company to be controlled by, in control of or under common control with the Company.

"Agent Member" shall mean a member of the Securities Depository that will act on behalf of a Bidder and is identified as such in such Bidder's Master Purchaser's Letter.

"Applicable AA Composite Commercial Paper Rate," on any date, shall mean (i) with respect to a 49-day Short-Term Period, (A) the Interest Equivalent of the 60-day rate on commercial paper placed on behalf of issuers whose corporate bonds are rated "AA" by Standard & Poor's Corporation or its successor ("S&P"), or the equivalent of such rating by S&P or another rating agency, as such 60-day rate is made available on a discount basis or otherwise by the Federal Reserve Bank of New York for the Business Day immediately preceding such date, or (B) in the event that the Federal Reserve Bank of New York does not make available such a rate, then the arithmetic average of the Interest Equivalent of the 60-day rate on commercial paper placed on behalf of such issuers, and as quoted, on a discount basis or otherwise, to the Trust Company for the close of business on the Business Day immediately preceding such date by the Commercial Paper Dealers or (ii) with respect to a Quarterly Period or a 13-week Short-Term Period, the Interest Equivalent of the 90-day rate on such commercial paper as so determined. In the event that either of the Commercial Paper Dealers does not quote a rate required to determine the Applicable AA Composite Commercial Paper Rate, the Applicable AA Composite Commercial Paper Rate shall be determined on the basis of the quotations furnished by the remaining Commercial Paper Dealer and the Substitute Commercial Paper Dealer selected by the Company to provide such rate or, if the Company does not select any such Substitute Commercial Paper Dealer, the remaining Commercial Paper Dealer. If an adjustment is made to the length of a Short-Term Period to comply with the Minimum Holding Period pursuant to subsection (c) of Section (2), then if the resulting number of days in each subsequent Short-Term Period, before any adjustment shall be (i) 70 or more days but fewer than 85 days, such rate shall be the arithmetic average of the Interest Equivalent of the 60-day and 90-day rates on such commercial paper, or (ii) 85 or more days but 98 or fewer days, such rate shall be the Interest Equivalent of the 90-day rate on such commercial paper.

"Applicable Rate" shall have the meaning specified in Section (2), subsection (j).

"Auction" shall mean periodic implementation of the Auction Procedures set forth herein.

"Auction Date" shall mean the Business Day immediately preceding a Dividend Payment Date.

"Auction Procedures" shall mean the procedures for conducting Auctions set forth in Section (4).

"Available Units" shall have the meaning specified in Section (4), subsection (c), paragraph 1, subparagraph a.

"Bid" and **"Bids"** shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Bidder" and **"Bidders"** shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Board of Directors" shall mean the Board of Directors of the Company or any committee authorized by the Board of Directors to perform any or all of the duties of the Board with respect to the Series A Stock.

"Broker-Dealer" shall mean any broker-dealer or other entity permitted by law to perform the functions required of a Broker-Dealer in Sections (4) and (5), that is a member of, or a participant in, the Securities Depository and that has been selected by the Company and has entered into a Broker-Dealer Agreement with the Trust Company that remains effective.

"Broker-Dealer Agreement" shall mean an agreement between the Trust Company and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures specified in Sections (4) and (5).

"Business Day" shall mean a day on which the New York Stock Exchange, Inc. is open for trading and which is not a day on which banks in New York City are authorized by law to close.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Paper Dealers" shall mean Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated or, in lieu thereof, their respective affiliates or successors that are engaged in the business of buying and selling commercial paper.

"Date of Original Issue" shall have the meaning specified in Section (2), subsection (b).

"Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Dividend Period" shall have the meaning specified in Section (2), subsection (c).

"Dividends-Received Deduction" shall mean the dividends-received deduction on preferred stock held by nonaffiliate corporations (currently found in Section 243(a) of the Code).

"Existing Holder" shall mean a Person who has executed a Master Purchaser's Letter and who is listed as the beneficial owner of shares of Series A Stock in the records of the Trust Company.

"Hold Order" and "Hold Orders" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Holders" shall mean the holders of shares of the Series A Stock as the same appear on the stock books of the Company or the registrar of the Series A Stock.

"Initial Dividend Payment Date" shall have the meaning specified in Section (2), subsection (b).

"Initial Dividend Period" shall have the meaning specified in Section (2), subsection (b).

"Interest Equivalent" shall mean the equivalent yield on a 360-day basis of a discount basis security to an interest-bearing security.

"Master Purchaser's Letter" shall mean a letter addressed to the Company, the Trust Company, the remarketing agent, a Broker-Dealer and an Agent Member in which the executing Person agrees, among other things, to offer to purchase, to purchase, to offer to sell and to sell shares of Series A Stock as set forth in Section (4).

"Maximum Rate" for any Auction shall mean, subject to subsection (1) of Section (2), the product of the Applicable AA Composite Commercial Paper Rate on the Auction Date for such Auction and the Rate Multiple.

"Minimum Holding Period" shall have the meaning specified in Section (2), subsection (c).

"Minimum Rate" for any Auction shall mean, subject to subsection (1) of Section (2), 58% of the Applicable AA Composite Commercial Paper Rate on the Auction Date for such Auction.

"Order" and "Orders" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Outstanding Shares" shall mean, as of any date, shares of Series A Stock theretofore issued by the Company except, without duplication, (i) any shares theretofore cancelled or delivered to the Trust Company for cancellation or redeemed or deemed to have been redeemed by the Company, (ii) any shares as to which the Company or any Affiliate thereof shall be an Existing Holder, and (iii) any shares represented by any certificate in lieu of which a new certificate has been executed and delivered by the Company.

"Outstanding Units" shall mean Units comprised of Outstanding Shares.

"Payment Failure" shall mean a failure by the Company to pay to the Holders on or within three Business Days (i) after any Dividend Payment Date, the full amount of any dividends to be paid on such Dividend Payment Date on any share of the Series A Stock or (ii) after any redemption date, the redemption price to be paid on that redemption date on any share of the Series A Stock with respect to which a notice of redemption has been given.

"Person" shall mean an individual, a partnership, a corporation, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

"Potential Holder" shall mean any Person, including any Existing Holder, (i) who shall have executed a Master Purchaser's Letter and (ii) who may be a prospective purchaser of Units (or, in the case of an Existing Holder, additional Units).

"Quarterly Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Quarterly Period" shall have the meaning specified in Section (2), subsection (c).

"Rate Multiple," on any Auction Date, shall mean the percentage determined as set forth below based on the Prevailing Rating (as defined below) of the Series A Stock in effect at the close of business on the Business Day immediately preceding such Auction Date:

<u>Prevailing Rating</u>	<u>Percentage</u>
AA/aa or above.....	110%
A/a.....	150%
BBB/baa.....	200%
Below BBB/baa.....	250%

For purposes of this definition, the "Prevailing Rating" of the Series A Stock shall be (i) AA/aa or above, if the Series A Stock has a rating of AA- or better by S&P and a rating of aa3 or better by Moody's Investors Service, Inc. or its successor ("Moody's"), or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, (ii) if not AA/aa or above, then A/a, if the Series A Stock has a rating of A- or better by S&P and a rating of a3 or better by Moody's, or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, (iii) if not AA/aa or above or A/a, then BBB/baa, if the Series A Stock has a rating of BBB- or better by S&P and a rating of baa3 or better by Moody's, or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, and (iv) if not AA/aa or above, A/a or BBB/baa, then Below BBB/baa. If both S&P and Moody's fail to make such a rating available, Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated, or their successors and assigns, will select one or two nationally recognized securities rating agencies to act as a substitute rating agency or agencies. The Company will take all reasonable action necessary to enable S&P and Moody's, or such substitute rating agency or agencies, to provide a rating for the Series A Stock.

"Remaining Units" shall have the meaning specified in Section (4), subsection (d), paragraph 1, subparagraph d.

"Securities Depository" shall mean The Depository Trust Company and its successors and assigns or any other securities depository selected by the Company which agrees to follow the procedures required to be followed by such securities depository in connection with shares of the Series A Stock.

"Sell Order" and "Sell Orders" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Short-Term Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Short-Term Period" shall have the meaning specified in Section (2), subsection (c).

"Submission Deadline" shall mean 1:00 P.M., New York City time, on any Auction Date or such other time on any Auction Date by which Broker-Dealers are required to submit Orders to the Trust Company as specified by the Trust Company from time to time.

"Submitted Bid" and "Submitted Bids" shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Submitted Hold Order" and "Submitted Hold Orders" shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Submitted Order" shall have the meaning specified in Section (4), subsection (c), paragraph 1.

"Submitted Sell Order" and "Submitted Sell Orders" shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Substitute Commercial Paper Dealer" shall mean any commercial paper dealer that is a leading dealer in the commercial paper market.

"Sufficient Clearing Bids" shall have the meaning specified in Section (4), subsection (c), paragraph 1, subparagraph b.

"Trust Company" shall mean a bank or trust company duly appointed as such with respect to the shares of the Series A Stock.

"Unit" shall have the meaning specified in Section (1).

"Winning Bid Rate" shall have the meaning specified in Section (4), subsection (c), paragraph 1, subparagraph c.

(4) Auction Procedures.

(a) Orders by Existing Holders and Potential Holders.

1. Prior to the Submission Deadline on each Auction Date:

a. Each Existing Holder may submit to a Broker-Dealer by telephone information as to:

(i) the number of Outstanding Units, if any, held by such Existing Holder that such Existing Holder desires to continue to hold for the next succeeding Dividend Period without regard to the rate determined by the Auction Procedures;

(ii) the number of Outstanding Units, if any, that such Existing Holder desires to continue to hold for the next succeeding Dividend Period, if the rate determined by the Auction Procedures shall not be less than the rate per annum specified by such Existing Holder; and/or

(iii) the number of Outstanding Units, if any, held by such Existing Holder that such Existing Holder offers to sell without regard to the rate determined by the Auction Procedures for the next succeeding Dividend Period; and

b. Each Broker-Dealer, using a list of Potential Holders, in good faith for the purpose of conducting a competitive Auction in a commercially reasonable manner, shall contact Potential Holders, including Persons that are not Existing Holders, on such list to determine the number of Outstanding Units, if any, that each such Potential Holder offers to purchase, if the rate determined by the Auction Procedures for the next succeeding Dividend Period shall not be less than the rate per annum specified by such Potential Holder.

c. For the purposes hereof, the communication to a Broker-Dealer of information referred to in subparagraph a or subparagraph b of

this paragraph 1 is referred to hereinafter as an "Order" and collectively as "Orders," and each Existing Holder and each Potential Holder placing an Order is referred to hereinafter as a "Bidder" and collectively as "Bidders;" an Order containing the information referred to in clause (i) of subparagraph a of this paragraph 1 is referred to hereinafter as a "Hold Order" and collectively as "Hold Orders;" an Order containing the information referred to in clause (ii) of subparagraph a or subparagraph b of this paragraph 1 is referred to hereinafter as a "Bid" and collectively as "Bids;" and an Order containing the information referred to in clause (iii) of subparagraph a of this paragraph 1 is referred to hereinafter as a "Sell Order" and collectively as "Sell Orders."

d. On any Auction Date, a Bid submitted by an Existing Holder shall constitute an irrevocable offer to sell:

- (i) the number of Outstanding Units specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified in such Bid; or
- (ii) such number or a lesser number of Outstanding Units to be determined as set forth in subsection (d), paragraph 1, subparagraph d, of this Section (4), if the rate determined by the Auction Procedures on such Auction Date shall be equal to the rate specified in such Bid; or
- (iii) a lesser number of Outstanding Units than was specified in such Bid, to be determined as set forth in subsection (d), paragraph 2, subparagraph c, of this Section (4), if the rate specified therein shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

e. On any Auction Date, a Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:

- (i) the number of Outstanding Units specified in such Sell Order; or
 - (ii) such number or a lesser number of Outstanding Units as set forth in subsection (d), paragraph 2, subparagraph c, of this Section (4) if Sufficient Clearing Bids do not exist.
- f. On any Auction Date, a Bid by a Potential Holder shall constitute an irrevocable offer to purchase:
 - (i) the number of Outstanding Units specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified in such Bid; or
 - (ii) such number or a lesser number of Outstanding Units as set forth in subsection (d), paragraph 1, subparagraph e, of this Section (4) if the rate determined by the Auction Procedures on such Auction Date shall be equal to the rate specified in such Bid.
- g. On each Auction Date, the Trust Company shall determine the Applicable AA Composite Commercial Paper Rate and the Maximum Rate and shall notify the Company and each Broker-Dealer of each such rate not later than 9:30 A.M. on such Auction Date or such other time on such Auction Date as specified by the Trust Company with the consent of the Company (which consent shall not be unreasonably withheld).
- (b) Submission of Orders by Broker-Dealers to Trust Company.
 - 1. Each Broker-Dealer shall submit in writing to the Trust Company prior to the Submission Deadline on each Auction Date all Orders obtained by such Broker-Dealer and specifying with respect to each Order:
 - a. The name of the Bidder placing such Order;
 - b. The aggregate number of Units that are the subject of such Order;

c. To the extent that such Bidder is an Existing Holder:

- (i) the number of Units, if any, subject to any Hold Order placed by such Existing Holder;
- (ii) the number of Units, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid; and
- (iii) the number of Units, if any, subject to any Sell Order placed by such Existing Holder; and

d. To the extent such Bidder is a Potential Holder, the number of Units and the rate specified in such Potential Holder's Bid.

2. If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Trust Company shall round such rate up to the next highest one thousandth (.001) of 1%.

3. If, for any reason, an Order or Orders covering all of the Outstanding Units held by any Existing Holder is not submitted to the Trust Company prior to the Submission Deadline, the Trust Company shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the number of Outstanding Units held by such Existing Holder and not subject to Orders submitted to the Trust Company.

4. If one or more Orders by an Existing Holder covering in the aggregate more than the number of Outstanding Units held by such Existing Holder are submitted to the Trust Company by one or more Broker-Dealers on behalf of such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

a. Any Hold Orders submitted on behalf of such Existing Holder shall be considered valid up to and including, in the aggregate, the number of Outstanding Units held by such Existing Holder; provided that, if more than one Hold Order is submitted on behalf of such Existing Holder and the number of Units subject to such Hold Orders exceeds the number of Outstanding Units held by such

Existing Holder, the number of Units subject to such Hold Orders shall be reduced pro rata so that such Hold Orders shall cover only the number of Outstanding Units held by such Existing Holder;

- b. (i) Any Bid submitted on behalf of an Existing Holder shall be considered valid up to and including the excess of the number of Outstanding Units held by such Existing Holder over the number of Units subject to valid Hold Orders of such Existing Holder referred to in subparagraph a of this paragraph 4,
 - (ii) subject to clause (i) of this subparagraph b, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate number of Outstanding Units subject to such Bids is greater than the excess referred to in clause (i) of this subparagraph b, such Bids shall be considered valid up to the amount of such excess and the number of Units subject to such Bids shall be reduced pro rata so that such Bids shall cover only the number of Units equal to such excess,
 - (iii) subject to clause (i) of this subparagraph b, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid in their entirety up to the excess referred to in clause (i) of this subparagraph b in the ascending order of their respective rates, and
 - (iv) in any such event specified in this subparagraph b, the number, if any, of such Units subject to Bids not valid under this subparagraph b shall be treated as the subject of a Bid by a Potential Holder; and
- c. Any Sell Order shall be considered valid up to and including, in the aggregate, the excess of the number of Outstanding Units held by such Existing Holder over the sum of

the Units subject to valid Hold Orders of such Existing Holder referred to in subparagraph a of this paragraph 4 and valid Bids by such Existing Holder referred to in subparagraph b of this paragraph 4.

5. In any Auction, if more than one Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and number of Units therein specified.
6. Orders by Existing Holders and Potential Holders must specify a whole number of Units. An Order that does not specify a whole number of Units will not be considered a Submitted Order for purposes of the Auction.

(c) Determination of Sufficient Clearing Bids, Winning Bid Rate and Applicable Rate.

1. Not earlier than the Submission Deadline on each Auction Date, the Trust Company shall assemble all Orders submitted or deemed submitted to it by Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being referred to hereinafter individually as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, or as a "Submitted Order") and shall determine:
 - a. The excess of the total number of Outstanding Units over the number of Outstanding Units that are the subject of Submitted Hold Orders (such excess being hereinafter referred to as the "Available Units");
 - b. From the Submitted Orders, whether the number of Outstanding Units that are the subject of Submitted Bids by Existing Holders and Potential Holders specifying one or more rates equal to or lower than the Maximum Rate exceeds or is equal to the sum of:
 - (i) the number of Outstanding Units that are the subject of Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Rate, and
 - (ii) the number of Outstanding Units that are subject to Submitted Sell Orders

(in the event of such excess or of such equality (other than because the number of Units specified in each of clauses (i) and (ii) of this subparagraph b is zero because all of the Outstanding Units are the subject of Submitted Hold Orders) such Submitted Bids in this subparagraph b are hereinafter referred to collectively as "Sufficient Clearing Bids"); and

c. If Sufficient Clearing Bids exist, the lowest rate specified in the Submitted Bids (the "Winning Bid Rate") which is:

(i) (A) Each Submitted Bid from Existing Holders specifying such Winning Bid Rate and (B) all other Submitted Bids from Existing Holders specifying lower rates were accepted, thus entitling such Existing Holders to continue to hold the Outstanding Units that are the subject of such Submitted Bids, and

(ii) (A) Each Submitted Bid from Potential Holders specifying such Winning Bid Rate and (B) all other Submitted Bids from Potential Holders specifying lower rates were accepted, thus requiring the Potential Holders to purchase the Outstanding Units that are subject to such Submitted Bids,

would result in such Existing Holders described in clause (i) of this subparagraph c continuing to hold an aggregate number of Outstanding Units that, when added to the number of Outstanding Units to be purchased by such Potential Holders described in clause (ii) of this subparagraph c, would at least equal the Available Units.

2. In connection with any Auction and promptly after the Trust Company has made the determinations pursuant to paragraph 1 of this subsection (c), the Trust Company shall advise the Company of the Applicable AA Composite Commercial Paper Rate and the Maximum Rate and, based on such determinations, of the Applicable Rate for the next succeeding Dividend Period and such other information as follows:

- a. If Sufficient Clearing Bids exist, that the Applicable Rate for the next succeeding Dividend Period shall be equal to the Winning Bid Rate so determined;
- b. If Sufficient Clearing Bids do not exist (other than because all of the Outstanding Units are the subject of Submitted Hold Orders), that the Applicable Rate for the next succeeding Dividend Period shall be the Maximum Rate; or
- c. If all of the Outstanding Units are the subject of Submitted Hold Orders, that the Applicable Rate for the next succeeding Dividend Period shall be equal to the Minimum Rate.

(d) Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Units.

Based on the determinations made pursuant to subsection (c), paragraph 1, of this Section (4), the Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Trust Company shall take such other action as set forth below:

1. If Sufficient Clearing Bids have been made, subject to the provisions of paragraphs 4 and 5 of this subsection (d), Submitted Bids and Submitted Sell Orders shall be accepted or rejected in the following order of priority and all other Submitted Bids shall be rejected:
 - a. The Submitted Sell Orders of each Existing Holder shall be accepted and the Submitted Bids of each Existing Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Holder to sell the Outstanding Units that are the subject of such Submitted Sell Orders or Submitted Bids;
 - b. The Submitted Bids of each Existing Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Outstanding Units that are the subject of such Submitted Bids;

- c. The Submitted Bids of each Potential Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring such Potential Holder to purchase the number of Outstanding Units that are the subject of such Submitted Bids;
- d. The Submitted Bids of each Existing Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus entitling such Existing Holder to continue to hold the Outstanding Units that are the subject of each such Submitted Bid, unless the number of Outstanding Units subject to all such Submitted Bids of Existing Holders shall be greater than the number of Outstanding Units ("Remaining Units") equal to the excess of the Available Units over the number of Outstanding Units subject to Submitted Bids described in subparagraphs b and c of this paragraph 1, in which event the Submitted Bids of each such Existing Holder shall be rejected, and each such Existing Holder shall be required to sell Units, but only in an amount equal to the difference between (i) the number of Outstanding Units then held by such Existing Holder subject to such Submitted Bid and (ii) the number of Outstanding Units obtained by multiplying (x) the number of Remaining Units by (y) a fraction (the numerator of which shall be the number of Outstanding Units held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the number of Outstanding Units subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate); and
- e. The Submitted Bid of each Potential Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, but only in an amount equal to the number of Outstanding Units obtained by multiplying (x) the difference between the Available Units and the number of Outstanding Units subject to Submitted Bids described in subparagraphs b, c, and d of this paragraph 1 by (y) a fraction (the numerator of which shall be the number of Outstanding

Units subject to such Submitted Bid of such Potential Holder and the denominator of which shall be the sum of the number of Outstanding Units subject to Submitted Bids that specified rates equal to the Winning Bid Rate submitted by all such Potential Holders).

2. If Sufficient Clearing Bids have not been made (other than because all of the Outstanding Units are subject to Submitted Hold Orders), subject to the provisions of paragraph 4 of this subsection (d), Submitted Orders shall be accepted or rejected in the following order of priority and all other Submitted Bids shall be rejected:
 - a. The Submitted Bids of each Existing Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus entitling such Existing Holder to continue to hold the Outstanding Units that are the subject of such Submitted Bids;
 - b. The Submitted Bids of each Potential Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring such Potential Holder to purchase the Outstanding Units that are the subject of such Submitted Bids; and
 - c. The Submitted Bids of each Existing Holder specifying any rate that is higher than the Maximum Rate shall be rejected, and each Submitted Sell Order of each Existing Holder shall be accepted, thus requiring such Existing Holder to sell the Outstanding Units that are the subject of each such Submitted Bid or Submitted Sell Order, in both cases only in an amount equal to the difference between (i) the number of Outstanding Units then held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and (ii) the number of Outstanding Units obtained by multiplying (x) the difference between the Available Units and the aggregate number of Outstanding Units subject to Submitted Bids described in subparagraphs a and b of this paragraph 2 by (y) a fraction (the numerator of which shall be the number of Outstanding Units held by such Existing Holder subject

to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the number of Outstanding Units subject to all such Submitted Bids and Submitted Sell Orders of Existing Holders).

3. If all of the Outstanding Units are the subject of Submitted Hold Orders, all Submitted Bids shall be rejected.
4. If, as a result of the procedures described in paragraph 1 or 2 of this subsection (d), any Existing Holder would be entitled to hold or required to sell, or any Potential Holder would be required to purchase, a fraction of a Unit on any Auction Date, the Trust Company shall, in such manner as, in its sole discretion, it shall determine, round up or down the number of Units to be held or sold by any Existing Holder or purchased by any Potential Holder on such Auction Date so that the number of Units held or sold by each Existing Holder or purchased by any Potential Holder on such Auction Date shall be a whole number of Units.
5. If, as a result of the procedures described in paragraph 1 of this subsection (d), any Potential Holder would be entitled or required to purchase less than a whole Unit on any Auction Date, the Trust Company shall, in such manner as, in its sole discretion, it shall determine, allocate Units for purchase among Potential Holders so that only whole Units are purchased on such Auction Date by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing Units on such Auction Date.
6. Based on the results of each Auction, the Trust Company shall determine the aggregate number of Outstanding Units to be purchased and the aggregate number of Outstanding Units to be sold by Potential Holders and Existing Holders on whose behalf each Broker-Dealer submitted Bids or Sell Orders and, with respect to each Broker-Dealer, to the extent that such aggregate number of Units to be sold differ, determine to which other Broker-Dealer or Broker-Dealers acting for one or more purchasers such Broker-Dealer shall deliver, or from which other Broker-Dealer or Broker-Dealers acting for one or more sellers such

Broker-Dealer shall receive, as the case may be, Units.

(5) Miscellaneous.

- (a) So long as the Applicable Rate is based on the results of an Auction, an Existing Holder (i) may sell, transfer or otherwise dispose of shares of Series A Stock only in Units and only pursuant to a Bid or Sell Order in accordance with the Auction Procedures, or to or through a Broker-Dealer or to a Person that has delivered a signed copy of a Master Purchaser's Letter to the Trust Company; provided that, in the case of all transfers other than pursuant to Auctions, such Existing Holder or its Broker-Dealer or its Agent Member advises the Trust Company of such transfer, and (ii) shall have the ownership of the shares of Series A Stock held by it maintained in book entry form by the Securities Depository in the account of its Agent Member, which in turn will maintain account records of such Existing Holder's beneficial ownership.
- (b) Neither the Company nor any Affiliate thereof may submit an Order in any Auction.
- (c) All references to time of day refer to New York City time.
- (d) From and during the continuance of a Payment Failure and during any period in which there shall not be a Securities Depository, shares of Series A Stock may be registered for transfer or exchange and new certificates issued upon surrender of the old certificates properly endorsed for transfer, with (i) all necessary endorsers' signatures guaranteed in such manner and form as the Trust Company (or such other transfer agent or registrar) may require by a guarantor reasonably believed by the Trust Company (or such other transfer agent or registrar) to be responsible, (ii) accompanied by such assurances as the Trust Company (or such other transfer agent or registrar) shall deem necessary or appropriate to evidence the genuineness and effectiveness of each necessary endorsement and (iii) satisfactory evidence of compliance with all applicable laws relating to the collection of taxes or funds necessary for the payment of such taxes.
- (e) Commencing with the Dividend Payment Date for which a Payment Failure occurs, the Company or an Affiliate thereof, at the option of the Company, may perform any

of the functions to be performed by the Trust Company or the Securities Depository set forth herein.

- (f) The Board of Directors of the Company may interpret the provisions of the Auction Procedures as set forth herein to resolve any inconsistency or ambiguity which may arise or be revealed in connection therewith, and, if such inconsistency or ambiguity reflects an inaccurate provision hereof, the Board of Directors of the Company may, in appropriate circumstances, authorize the filing of a corrected Articles of Amendment.
- (g) Shares of Series A Stock which have been redeemed or otherwise acquired by the Company or any Affiliate are not subject to reissuance as Series A Stock.

(6) Redemption.

The shares of Series A Stock shall be subject to redemption, in whole or in part on any Dividend Payment Date, upon the notice and in the manner and with the effect provided in Article Fourth of these Articles; provided that if such Article Fourth is amended to grant the Company's Board of Directors in certain instances the authority to determine the time, form and manner of a notice of redemption, from and after the date such amendment becomes effective, publication of notice of the redemption of the Series A Stock shall not be required and notice of such redemption shall be sufficient if mailed at least thirty (30) days' prior to redemption to the holders of record of the Series A Stock so to be redeemed, at their respective addresses as the same shall appear on the books of the Company, but no failure to mail a particular notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of those shares of Series A Stock for which proper notice has been given; provided further that all other terms of Article Fourth, as amended, relating to the redemption of shares of Preferred Stock and Preferred Stock (without par value) shall continue to apply to the redemption of the Series A Stock. The notice of redemption shall include a statement setting forth (i) the number of shares of the Series A Stock to be redeemed (if applicable to be denominated in Units), (ii) the date fixed for redemption and (iii) the redemption price. So long as shares of Series A Stock are held of record by the nominee of the Securities Depository, the Company need only give notice to the Securities Depository of any such redemption. The redemption price or prices applicable to shares of said series shall be \$100.00 per share plus accrued and unpaid dividends to the date of redemption. Unless the shares of Series A Stock shall have

been registered for transfer and exchange as provided in subsection (d) of Section (5), redemptions shall be made only in whole Units.

(7) Voluntary or Involuntary Liquidation.

The preferential amounts to which the holders of Series A Stock shall be entitled upon any voluntary or involuntary liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share.

(8) Stated Value.

The stated value of the Series A Stock shall be \$100 per share.

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ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

RECEIVED & FILED
\$40.00
APR 8 8 13 AM '93

SECRETARY OF STATE
KENTUCKY

To the Secretary of State of Kentucky:

Pursuant to the provisions of Chapter 271B of the Kentucky Revised Statutes, the undersigned corporation hereby amends its Articles of Incorporation, and for that purpose, submits the following statement:

1. The name of the corporation is Louisville Gas and Electric Company.
2. On April 21, 1992, the stockholders of the corporation duly adopted the Amendment to the Company's Articles of Incorporation attached hereto as Exhibit A.
3. If not contained in the Amendment itself, the manner in which any exchange, reclassification, or cancellation of issued shares provided for in the Amendment shall be implemented as follows:

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Not Applicable

4. The Amendment was duly adopted on April 21, 1992, to be effective from the date of filing with the Secretary of State.
5. The Amendment was duly adopted by the shareholders of the corporation and:
 - (i) the designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Amendment were:

<u>Designation</u>	<u>Number of Outstanding Shares</u>	<u>Number of Votes Entitled to be Cast</u>
Common Stock	21,294,223	21,294,223
Preferred Stock (without par value)	750,000	750,000
Preferred Stock (par value \$25 per share)	1,718,415	1,718,415
Preferred Stock (without par value and par value \$25 per share)	2,468,415	2,468,415

(ii) the total number of undisputed votes cast for the plan by each voting group entitled to vote separately on the Amendment was:

<u>Voting Group</u>	<u>Total Number of Undisputed Votes Cast for the Amendment</u>
Common Stock	21,294,223
Preferred Stock (without par value)	488,246
Preferred Stock (par value \$25 per share)	1,231,844
Preferred Stock (without par value and par value \$25 per share)	1,720,090

and the number of votes cast for the Amendment by each voting group was sufficient for approval by that group.

Dated: March 24, 1993

LOUISVILLE GAS AND ELECTRIC COMPANY



Charles A. Markel, III
Treasurer

EXHIBIT A

AMENDMENTS TO ARTICLE FOURTH OF
RESTATED ARTICLES OF INCORPORATION OF
LOUISVILLE GAS AND ELECTRIC COMPANY

1. Paragraph (1) of Article Fourth shall be amended to read as follows:

PREFERRED STOCK AND PREFERRED STOCK (WITHOUT PAR VALUE)

(1) In addition to the series of Cumulative Preferred Stock, described in paragraphs (10) through (13) hereof, the Board of Directors is hereby authorized, subject to and in accordance with the provisions of paragraphs (1) through (9), inclusive, to cause Preferred Stock (without par value) to be issued in series, each such series to have such variations in respect thereof as may be determined by the Board of Directors prior to the issuance thereof.

The shares of the Preferred Stock of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The rate of dividends (within such limits as shall be permitted by law not exceeding 8% per annum) payable on the shares of the particular series;

(c) The prices (not less than the amount limited by law) and terms upon which the shares of the particular series may be redeemed; and

(d) The amount or amounts which shall be paid to the holders of the shares of particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of the Preferred Stock (without par value) of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The stated value thereof;

(c) The rate or rates of dividends (within such limits as shall be permitted by law) payable on the shares of the particular series, which may be expressed in terms of a formula or other method by which such rate or rates shall be calculated from time to time, and the

dividend periods, including the date or dates on which dividends are payable;

(d) The prices (not less than the amount limited by law) and terms (including sinking fund provisions) upon which the shares of the particular series may be redeemed; and

(e) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of all series of Preferred Stock and Preferred Stock (without par value) shall in all other respects be identical, except that the Preferred Stock (without par value) shall not have the voting rights of the Preferred Stock provided by paragraph 9(A) hereof.

2. Paragraph (2) of Article Fourth shall be amended to read as follows:

(2) The holders of each series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be entitled, *pari passu* with the holders of every other series of the Preferred Stock and the Preferred Stock (without par value), to receive, but only when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, cumulative preferential dividends, at the dividend rate or rates for the particular series fixed therefor as herein provided, payable on such dates or for such period or periods as may be specified by the Board of Directors at the time of establishment of such series, to stockholders of record on the respective dates, not exceeding thirty (30) days preceding such dividend payment dates, fixed for the purpose by the Board of Directors. No dividends shall be declared on any series of the Preferred Stock or the Preferred Stock (without par value) in respect of any dividend period unless there shall likewise be declared on all shares of all other series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, like proportionate dividends, ratably, in proportion to the respective dividend rates fixed therefor, in respect of the same dividend period, to the extent that such shares are entitled to receive dividends for such dividend period. The dividends on shares of all series of the Preferred Stock and the Preferred Stock (without par value) shall be cumulative. In the case of all shares of each particular series, the dividends on shares of such series shall be cumulative from the date of issue thereof unless the Board of Directors at the time of establishing

such series specifies that such dividends shall be cumulative from the first day of the current dividend period in which shares of such series shall have been issued, so that unless dividends on all outstanding shares of each series of the Preferred Stock and the Preferred Stock (without par value), at the dividend rate or rates and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The holders of the Preferred Stock and the Preferred Stock (without par value) of any series shall not be entitled to receive any dividends thereon other than the dividends referred to in this paragraph (2).

3. The first sentence of paragraph (3) of Article Fourth shall be amended by deleting the phrase "annual dividend rate" and inserting in lieu thereof the phrase "dividend rate or rates."
4. The second and third sentences of paragraph (3) of Article Fourth shall be amended to read as follows:

Notice of every such redemption shall be given (i) at such time, in such form and in such manner as may have been determined and fixed for each series of Preferred Stock and Preferred Stock (without par value) at the time of establishment of such series or (ii) if such matters shall not have been so fixed by the Board of Directors, by publication at least once in one daily newspaper printed in the English language and of general circulation in Louisville, Kentucky, the first publication in such newspaper to be at least thirty (30) days prior to the date fixed for such redemption, and at least thirty (30) days' previous notice of every such redemption shall also be mailed to the holders of record of the shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed, at their respective addresses as the same shall appear on the books of the Company; but no failure to mail such notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed.

5. The last sentence of paragraph (3) of Article Fourth shall be amended by deleting the phrase "by publication" wherever it appears.
6. The first sentence of paragraph (4) of Article Fourth shall be amended by deleting the phrase "annual dividend rate" and inserting in lieu thereof the phrase "dividend rate or rates."

7. Paragraph 5 of Article Fourth shall be amended by deleting the phrase "quarterly-yearly."
8. Subdivision 7(B)(b) of Article Fourth shall be amended to read as follows:

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock or the Preferred Stock (without par value), or of any class of stock ranking prior to or on a parity with the Preferred Stock and the Preferred Stock (without par value) of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on the Preferred Stock, the Preferred Stock (without par value) and any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock, all Preferred Stock (without par value), and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; provided that for purposes of calculating the annual dividend requirements applicable to any series of Preferred Stock (without par value) proposed to be issued which will have dividends determined according to an adjustable, floating or variable rate, the dividend rate used shall be the higher of (1) the dividend rate applicable to such series of Preferred Stock (without par value) on the date of such calculation or (2) the average dividend rate payable on all series of Preferred Stock and Preferred Stock (without par value) during the twelve month period immediately preceding the date of such calculation; provided further that for purposes of calculating the annual dividend requirements applicable to any series of Preferred Stock (without par value) outstanding at the date of such proposed issue and having dividends determined according to an adjustable, floating or variable rate, the dividend rate used shall be: (1) if such series of Preferred Stock (without par value) has been outstanding for at least twelve months, the actual amount of dividends paid on account of such series of Preferred Stock (without par value) for the twelve-month period immediately preceding the date of such calculation, or (2) if such series of Preferred Stock (without par value) has been outstanding for less than twelve months, the average dividend rate payable on such series of Preferred Stock (without par value) during the period immediately preceding the date of such calculation; or

9. The first sentence of Subdivision 9(B) of Article Fourth shall be amended to read as follows:

(B) If and when dividends shall be in default in an amount equivalent to dividends for the immediately preceding eighteen months on all shares of all series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, and until all dividends in default on such Preferred Stock and such Preferred Stock (without par value) shall have been paid, the holders of all shares of the Preferred Stock and all shares of the Preferred Stock (without par value), voting separately as one class, shall be entitled to elect the smallest number of Directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Stock, voting separately as a class, shall be entitled to elect the remaining Directors of the Company.

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BOB BARRAGE
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY *[Signature]*

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY
32196-920

To the Secretary of State of Kentucky:

712102

Pursuant to the provisions of Chapter 271B of the Kentucky Revised Statutes, the undersigned corporation hereby amends its Articles of Incorporation, and for that purpose, submits the following statement:

1. The name of the corporation is Louisville Gas and Electric Company.
2. On May 13, 1993, the Executive Committee of the Board of Directors, acting on behalf of the corporation, duly adopted the following Amendments to its Articles of Incorporation. A copy of the text is attached hereto as Exhibit A and incorporated by reference herein as the text of a new subarticle B of Article Thirteenth.
3. If not contained in the amendment itself, the manner in which any exchange, reclassification, or cancellation of issued shares provided for in the Amendment shall be implemented as follows:

Not Applicable

4. The amendment is to be effective upon the filing of these articles by the Secretary of State.
5. The amendment was duly adopted by the Executive Committee of the Board of Directors without shareholder approval pursuant to 271B.10-020 and 271B.6-020 of the Kentucky Revised Statutes, and shareholder action was not required.

Dated: May 19, 1993

LOUISVILLE GAS AND ELECTRIC COMPANY

[Signature]
Charles A. Markel, III
Treasurer

AMENDMENT

The Restated Articles of Incorporation are hereby amended by adding thereto a new subarticle B to Article Thirteenth which subarticle B shall read in its entirety as follows:

B. Terms of \$5.875 Cumulative Preferred Stock (without par value).
The Company has classified 250,000 shares of the Preferred Stock (without par value) as a series of such Preferred Stock designated as "\$5.875 Cumulative Preferred Stock (without par value)." The preferences, rights, qualifications and restrictions of the shares of the "\$5.875 Cumulative Preferred Stock (without par value)," shall be as follows:

(1) The annual dividend payable in respect of each share of said series shall be \$5.875; and the initial dividend in respect of each share of said series shall be payable on July 15, 1993, when and as declared by the Board of Directors of this Company, to holders of record on June 30, 1993, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month.

(2) The shares of said series are not subject to redemption prior to July 1, 1998. On and after July 1, 1998, the shares of said series shall be subject to redemption, in whole or in part, in the manner and with the effect provided in these Articles; and the redemption price or prices applicable to shares of said series shall be \$105.875 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1998, and prior to July 1, 1999; \$104.700 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1999, and prior to July 1, 2000; \$103.525 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2000, and prior to July 1, 2001; \$102.350 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2001, and prior to July 1, 2002; \$101.175 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2002, and prior to July 1, 2003; and \$100.000 per share plus accrued and unpaid dividends thereafter.

Notice of every such redemption shall be mailed at least thirty (30) days prior to redemption to the holders of record of the \$5.875 Cumulative Preferred Stock (without par value) so to be redeemed, at their respective addresses as the same shall appear on the books of the Company, but no failure to mail a particular notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of those shares of \$5.875 Cumulative Preferred Stock (without par value) for which proper notice has been given.

(3) So long as any shares of said series shall remain outstanding, the Company shall on or before July 15, 2003, and on or before July 15 of each year thereafter to and including July 15, 2007, set aside, separate and apart from its other funds, an amount equal to \$1,250,000 (or such lesser amount as may be sufficient to redeem all of the shares of said series then outstanding) and shall on or before July 15, 2008 (each such July 15 being hereinafter in this Section 3 called a "Sinking Fund Redemption Date"), set aside, separate and apart from its other funds, an amount equal to \$18,750,000 (or such lesser amount as may be sufficient to redeem all the shares of said series then outstanding) as a mandatory sinking fund payment for the exclusive benefit of shares of said series, plus such further amount as shall equal the accrued and unpaid dividends on the shares of said series to be redeemed out of such payment (as hereinafter in this Section 3 provided) through the day preceding the applicable Sinking Fund Redemption Date. The obligation of the Company to make such payment shall be cumulative, so that if for any reason the full amount thereof shall not be set aside for any year, the amount of the deficiency from time to time shall be added to the amount due from the Company on subsequent Sinking Fund Redemption Dates (or, if such deficiency exists on July 15, 2008, on subsequent quarterly dividend payment dates thereafter for such series) until the deficiency shall have been fully satisfied. The Company shall be entitled to credit against any such mandatory sinking fund payment shares of said series redeemed by the Company at the Company's option, purchased by the Company in the open market or otherwise acquired by the Company, except through application of any sinking fund payment, and not theretofore so credited, at the sinking fund redemption price hereinafter specified in this Section 3.

Any amounts set aside by the Company pursuant to this Section 3 shall be applied on the date of such setting aside if a Sinking Fund Redemption Date or otherwise on the first Sinking Fund Redemption Date occurring thereafter to the redemption of shares of said series at \$100.000 per share, plus accrued and unpaid dividends through the day preceding the applicable Sinking Fund Redemption Date, in the manner and upon the notice provided in Section 2 of this subarticle B. If any Sinking Fund Redemption Date shall be a Saturday, Sunday or other day on which banking institutions in Louisville, Kentucky are authorized or obligated to remain closed, such term shall be construed to refer to the next preceding business day.

Notwithstanding anything to the contrary set forth above, no sinking fund payments on the shares of said series of \$5.875 Cumulative Preferred Stock shall be made: (i) unless the full dividends on all shares of Preferred Stock and Preferred Stock (without par value) at the time outstanding for all past dividend periods shall have been paid or declared and set apart for payment or (ii) if such sinking fund payment would be contrary to applicable law.

(4) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100.000 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$5.875 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100.000 per share; or \$100.000 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

(5) The shares of said series of \$5.875 Cumulative Preferred Stock (without par value) shall be subject to all other terms, provisions and restrictions set forth in these Articles with respect to the shares of the Preferred Stock (without par value) and, excepting only as to the rates of dividend payable in respect of the shares of said series, the dividend periods and dividend payment dates, the redemption price or prices applicable to the shares of said series, the sinking fund provisions applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

(6) The stated value of the shares of said series shall be \$100.000 per share.

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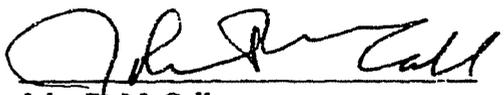
CERTIFICATE

Pursuant to the provisions of KRS 271B.10-070, Louisville Gas and Electric Company, a Kentucky corporation (the "Company"), files herewith Articles of Amendment and Restated Articles of Incorporation and hereby certifies that:

- FIRST:** The name of the Company is Louisville Gas and Electric Company.
- SECOND:** The Articles of Amendment and Restated Articles of Incorporation (the "Restatement") filed herewith contains no amendments to the Company's Articles of Incorporation which require shareholder approval.
- THIRD:** Articles First through Fourteenth of the Company's Articles of Incorporation are restated in their entirety as set forth in the Restatement filed herewith, a copy of which is attached hereto.
- FOURTH:** The Restatement of the Company's Articles of Incorporation was adopted by the Company's Board of Directors as of September 4, 1996.

Dated: September 4, 1996.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: 
 John R. McCall
 Title: Executive Vice President, General Counsel
 and Corporate Secretary

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**ARTICLES OF AMENDMENT AND
RESTATED ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY**

Pursuant to the provisions of KRS 271B.10-030 and KRS 271B.10-060, Louisville Gas and Electric Company, a Kentucky corporation (the "Company"), hereby adopts the following Articles of Amendment to its Amended and Restated Articles of Incorporation, as amended, and restates its Articles of Incorporation, as amended:

- FIRST:** The name of the Company is Louisville Gas and Electric Company.
- SECOND:** These Articles of Amendment and Restated Articles of Incorporation (the "Restatement") do not contain any amendments to the Company's Amended and Restated Articles of Incorporation as amended, requiring shareholder approval and were adopted by the Company's Board of Directors on September 4, 1996.
- THIRD:** The amendments contained in the Restatement do not provide for an exchange, reclassification or cancellation of issued shares of stock of the Company.
- FOURTH:** The Restatement together with the amendments contained therein, supersede the original Amended and Restated Articles of Incorporation, as amended.
- FIFTH:** The Restatement, containing the amendments adopted, shall read in its entirety as set forth on Exhibit A attached hereto.

Dated: September 4, 1996

**LOUISVILLE GAS AND ELECTRIC
COMPANY**

By: 

John R. McCall

Title: Executive Vice President, General Counsel
and Corporate Secretary

**ARTICLES OF AMENDMENT AND
RESTATED ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY**

"FIRST. The corporate name is

LOUISVILLE GAS AND ELECTRIC COMPANY.

SECOND. The mailing address of the principal office of Louisville Gas and Electric Company (herein, the "Company") is 220 West Main Street, P. O. Box 32010, Louisville, Jefferson County, Kentucky 40232.

THIRD. The address of the registered office of the Company is 220 West Main Street, P. O. Box 32010, Louisville, Kentucky, 40232, and the name of the Company's registered agent at that office is John R. McCall.

FOURTH. The purpose of the Company is the transaction of any or all lawful business for which corporations may be incorporated under the Business Corporation Law of Kentucky, as amended.

FIFTH. The Capital stock of the Company shall be divided into (a) one million, seven hundred twenty thousand (1,720,000) shares of Preferred Stock of the par value of \$25 each, (b) six million, seven hundred fifty thousand (6,750,000) shares of Preferred Stock (without par value) (the aggregate stated value thereof not to exceed \$225,000,000), and (c) seventy-five million (75,000,000) shares of Common Stock without par value. The Preferred Stock and Preferred Stock (without par value) shall be issued in series having the preferences, rights, qualifications and restrictions hereinafter provided for.

PREFERRED STOCK AND PREFERRED STOCK (WITHOUT PAR VALUE)

(1) In addition to the series of Cumulative Preferred Stock, described in paragraphs (10) through (13) hereof, the Board of Directors is hereby authorized, subject to and in accordance with the provisions of paragraphs (1) through (9), inclusive, to cause Preferred Stock (without par value) to be issued in series, each such series to have such variations in respect thereof as may be determined by the Board of Directors prior to the issuance thereof.

The shares of the Preferred Stock of different series may vary as to:

- (a) The distinctive serial designations and number of shares of such series;

(b) The rate of dividends (within such limits as shall be permitted by law not exceeding 8% per annum) payable on the shares of the particular series;

(c) The prices (not less than the amount limited by law) and terms upon which the shares of the particular series may be redeemed; and

(d) The amount or amounts which shall be paid to the holders of the shares of particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of the Preferred Stock (without par value) of different series may vary as to:

(a) The distinctive serial designations and number of shares of such series;

(b) The stated value thereof;

(c) The rate or rates of dividends (within such limits as shall be permitted by law) payable on the shares of the particular series, which may be expressed in terms of a formula or other method by which such rate or rates shall be calculated from time to time, and the dividend periods, including the date or dates on which dividends are payable;

(d) The prices (not less than the amount limited by law) and terms (including sinking fund provisions) upon which the shares of the particular series may be redeemed; and

(e) The amount or amounts which shall be paid to the holders of the shares of the particular series in case of voluntary or involuntary dissolution or any distribution of assets.

The shares of all series of Preferred Stock and Preferred Stock (without par value) shall in all other respects be identical, except that the Preferred Stock (without par value) shall not have the voting rights of the Preferred Stock provided by paragraph 9(A) hereof.

(2) The holders of each series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be entitled, *pari passu*, with the holders of every other series of the Preferred Stock and the Preferred Stock (without par value), to receive, but only when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, cumulative preferential dividends, at the dividend rate or rates for the particular series fixed therefor as herein provided, payable on such dates or for such period or periods as may be specified by the Board of Directors at the time of establishment of such series, to shareholders of record on the respective dates, not exceeding thirty (30) days preceding such dividend payment dates, fixed for the purpose by the Board of Directors. No dividends shall be declared on any series of the Preferred Stock or the Preferred Stock (without par value) in respect of any dividend

period unless there shall likewise be declared on all shares of all other series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, like proportionate dividends, ratably, in proportion to the respective dividend rates fixed therefor, in respect of the same dividend period, to the extent that such shares are entitled to receive dividends for such dividend period. The dividends on shares of all series of the Preferred Stock and the Preferred Stock (without par value) shall be cumulative. In the case of all shares of each particular series, the dividends on shares of such series shall be cumulative from the date of issue thereof unless the Board of Directors at the time of establishing such series specifies that such dividends shall be cumulative from the first day of the current dividend period in which shares of such series shall have been issued, so that unless dividends on all outstanding shares of each series of the Preferred Stock and the Preferred Stock (without par value), at the dividend rate or rates and from the dates for accumulation thereof fixed as herein provided shall have been paid for all past dividend periods, but without interest on cumulative dividends, no dividends shall be paid or declared and no other distribution shall be made on the Common Stock and no Common Stock shall be purchased or otherwise acquired for value. The holders of the Preferred Stock and the Preferred Stock (without par value) of any series shall not be entitled to receive any dividends thereon other than the dividends referred to in this paragraph (2).

(3) The Company, by action of its Board of Directors, may redeem the whole or any part of any series of the Preferred Stock or the Preferred Stock (without par value), at any time or from time to time, by paying in cash the redemption price of the shares of the particular series, fixed therefor as herein provided, together with a sum in the case of each share of each series so to be redeemed, computed at the dividend rate or rates for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for such redemption, less the aggregate of the dividends theretofore or on such redemption date paid thereon. Notice of every such redemption shall be given (i) at such time, in such form and in such manner as may have been determined and fixed for each series of Preferred Stock and Preferred Stock (without par value) at the time of establishment of such series or (ii) if such matters shall not have been so fixed by the Board of Directors, by publication at least once in one daily newspaper printed in the English language and of general circulation in Louisville, Kentucky, the first publication in such newspaper to be at least thirty (30) days prior to the date fixed for such redemption, and at least thirty (30) days' previous notice of every such redemption shall also be mailed to the holders of record of the shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed, at their respective addresses as the same shall appear on the books of the Company; but no failure to mail such notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of the Preferred Stock or the Preferred Stock (without par value) so to be redeemed. In case of redemption of part only of any series of the Preferred Stock or the Preferred Stock (without par value) at the time outstanding, the Board of Directors shall fix and determine the stock to be so redeemed either by lot or by redemption pro rata or by designation of particular shares for redemption or in any other manner the Board of Directors may see fit. The Board of Directors shall have full power and authority, subject to the limitations and provisions herein contained, to prescribe the manner in which, and the terms and conditions upon which, the shares of the

Preferred Stock or the Preferred Stock (without par value) shall be redeemed from time to time. If such notice of redemption shall have been duly given and if on or before the redemption date specified in such notice all funds necessary for such redemption shall have been set aside by the Company, separate and apart from its other funds, in trust for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, then, notwithstanding that any certificate for such shares so called for redemption shall not have been surrendered for cancellation, from and after the date fixed for redemption, the shares represented thereby shall no longer be deemed outstanding, the right to receive dividends thereon shall cease to accrue and all rights with respect to such shares so called for redemption shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive out of the funds so set aside in trust, the amount payable upon redemption thereof, without interest; provided, however, that the Company may, after giving notice of any such redemption as hereinbefore provided or after giving to the bank or trust company hereinafter referred to irrevocable authorization to give such notice, and at any time prior to the redemption date specified in such notice, deposit in trust, for the account of the holders of the shares to be redeemed, so as to be and continue to be available therefor, funds necessary for such redemption with a bank or trust company in good standing, organized under the laws of the United States of America or of the Commonwealth of Kentucky or of the State of New York doing business in the City of Louisville, or in the Borough of Manhattan, the City of New York, and having capital, surplus and undivided profits aggregating at least \$1,000,000, designated in such notice of redemption, and, upon such deposit in trust, all shares with respect to which such deposit shall have been made shall no longer be deemed to be outstanding, and all rights with respect to such shares shall forthwith cease and terminate, except only the right of the holders thereof to receive at any time from and after the date of such deposit, the amount payable upon the redemption thereof, without interest.

(4) Before any amount shall be paid to, or any assets distributed among, the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, upon any liquidation, dissolution or winding up of the Company, and after paying or providing for the payment of all creditors of the Company, the holders of each series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be entitled, *pari passu*, with the holders of every other series of the Preferred Stock and the Preferred Stock (without par value), to be paid in cash the amount for the particular series fixed therefor as herein provided, together with a sum in the case of each share of each series, computed at the dividend rate or rates for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of any series of the Preferred Stock or the Preferred Stock (without par value) unless there shall likewise be paid at the same time to the holders of each other series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, like proportionate distributive amounts, *ratably*, in proportion to the full distributive amounts to which they are respectively entitled as herein provided. The holders of the Preferred Stock and

the Preferred Stock (without par value) of any series shall not be entitled to receive any amounts with respect thereto upon any liquidation, dissolution or winding up of the Company other than as provided in this paragraph. Neither the consolidation or merger of the Company with any other corporation or corporations, nor the sale or transfer by the Company of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Company.

(5) Whenever the full dividends on all series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding for all past dividend periods shall have been paid or declared and set apart for payment, then such dividends as may be determined by the Board of Directors may be declared and paid on the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, but only out of funds legally available for the payment of dividends; provided, however, that no dividend shall be declared or paid and no other distributions shall be made on the Common Stock or on any such other stock and no shares of the Common Stock or of any such other stock shall be purchased or otherwise acquired for value out of capital surplus arising from a reduction in capital.

(6) In the event of any liquidation, dissolution or winding up of the Company, all assets and funds of the Company remaining after paying or providing for the payment of all creditors of the Company and after paying or providing for the payment to the holders of all series of the Preferred Stock and the Preferred Stock (without par value) of the full distributive amounts to which they are respectively entitled as herein provided, shall be divided among and paid to the holders of the Common Stock or any other stock ranking junior to the Preferred Stock and the Preferred Stock (without par value) of each series, according to their respective rights and interests.

(7) (A) So long as any shares of the Preferred Stock or the Preferred Stock (without par value) of any series are outstanding, the Company shall not, without the affirmative vote or written consent of the holders of at least two-thirds of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding:

Amend, alter, change or repeal any of the express terms of any series of the Preferred Stock or the Preferred Stock (without par value) then outstanding in a manner prejudicial to the holders thereof; provided, however, that if any such amendment, alteration, change or repeal shall be prejudicial to the holders of one or more, but not all, of the series of Preferred Stock or the Preferred Stock (without par value) at the time outstanding, only such consent of the holders of two-thirds of the total number of shares of all series so affected shall be required.

(B) So long as any shares of the Preferred Stock or the Preferred Stock (without par value) of any series are outstanding, the Company shall not, without the affirmative

vote or written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding:

(a) Create or authorize any class of stock ranking prior to or (other than a series of the 1,720,000 authorized shares of Preferred Stock or 6,750,000 authorized shares of Preferred Stock (without par value)) ranking on a parity with any series of the Preferred Stock and the Preferred Stock (without par value) as to dividends or distributions, or create or authorize any obligation or security convertible into shares of stock of any such class; or

(b) Issue, sell or otherwise dispose of any shares of the Preferred Stock or the Preferred Stock (without par value), or of any class of stock ranking prior to or on a parity with the Preferred Stock and the Preferred Stock (without par value) of each series as to dividends or distributions, unless the net income of the Company, determined in accordance with generally accepted accounting practices, to be available for the payment of dividends on the Preferred Stock, the Preferred Stock (without par value) and any class of stock ranking prior thereto or on a parity therewith as aforesaid, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the issuance, sale or disposition of such stock, is at least equal to twice the annual dividend requirements on the entire amount of all Preferred Stock, all Preferred Stock (without par value), and of all such other classes of stock ranking prior thereto or on a parity therewith, as to dividends or distributions to be outstanding immediately after the issuance, sale or disposition of such additional shares; provided that for purposes of calculating the annual dividend requirements applicable to any series of Preferred Stock (without par value) proposed to be issued which will have dividends determined according to an adjustable, floating or variable rate, the dividend rate used shall be the higher of (1) the dividend rate applicable to such series of Preferred Stock (without par value) on the date of such calculation or (2) the average dividend rate payable on all series of Preferred Stock and Preferred Stock (without par value) during the twelve month period immediately preceding the date of such calculation; provided further that for purposes of calculating the annual dividend requirements applicable to any series of Preferred Stock (without par value) outstanding at the date of such proposed issue and having dividends determined according to an adjustable, floating or variable rate, the dividend rate used shall be: (1) if such series of Preferred Stock (without par value) has been outstanding for at least twelve months, the actual amount of dividends paid on account of such series of Preferred Stock (without par value) for the twelve-month period immediately preceding the date of such calculation, or (2) if such series of Preferred Stock (without par value) has been outstanding for less than twelve months, the average dividend rate payable on such series of Preferred Stock (without par value) during the period immediately preceding the date of such calculation; or

(c) Merge or consolidate with or into any other corporation or corporations, unless such merger or consolidation, or the issuance or assumption of all

securities, to be issued or assumed in connection with any such merger or consolidation, shall have been ordered, approved, or permitted by the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935 or by any successor commission or regulatory authority of the United States of America having jurisdiction in the premises; provided that the provisions of this clause (c) shall not apply to a purchase or other acquisition by the Company of franchises or assets of another corporation in any manner which does not involve a merger or consolidation.

(C) So long as any shares of the Preferred Stock or Preferred Stock (without par value) of any series are outstanding, the Company shall not without written consent of the holders of a majority of the total number of shares of such Preferred Stock and Preferred Stock (without par value) then outstanding or, in the alternative and subject to the proviso hereinafter set forth in this subdivision 7(C), the affirmative vote of the holders of a majority of the total number of the shares of such Preferred Stock and Preferred Stock (without par value) which are represented, by the attendance of the holders thereof in person or by proxy, at a meeting duly called for the purpose:

Issue or assume any unsecured notes, debentures or other securities representing unsecured indebtedness for any purpose other than (1) the refunding of outstanding unsecured securities theretofore issued or assumed by the Company, (2) the financing of pollution control facilities (as defined in the Internal Revenue Code, as amended or as hereafter amended, and the regulations and rulings thereunder) through the issuance or assumption of unsecured notes, debentures or other securities representing unsecured indebtedness the receipt of interest on which is exempt from federal income tax at the time of such issuance or assumption, or (3) the redemption or other retirement of outstanding shares of one or more series of the Preferred Stock or Preferred Stock (without par value) if, immediately after such issuance or assumption, the total principal amount of all unsecured notes, debentures or other unsecured securities representing unsecured indebtedness issued or assumed by the Company and then outstanding (including unsecured securities then to be issued or assumed but excluding unsecured securities theretofore consented to by the holders of such Preferred Stock and Preferred Stock (without par value)) will exceed 20% of the sum of (i) the total principal amount of all bonds or other securities representing secured indebtedness issued or assumed by the Company and then to be outstanding, and (ii) the capital and surplus of the Company as then to be stated on the books of account of the Company.

Provided, however, that if, at any such meeting, at least one-third of all shares of such Preferred Stock and Preferred Stock (without par value) then outstanding shall be voted against the action then proposed, of the character aforesaid, such action may be taken only with the affirmative vote of a majority of all shares of such Preferred Stock and Preferred Stock (without par value) then outstanding.

If at any meeting of such Preferred Stock and Preferred Stock (without par value) for the purpose of taking action on matters set forth in this subdivision 7(C), the presence in person or by proxy of the holders of a majority of such stock shall not have been obtained and shall not be obtained for a period of thirty days from the date of such meeting, the presence in person or by proxy of the holders of one-third of such stock then outstanding shall be sufficient to constitute a quorum.

(8) No holder of shares of Preferred Stock or Preferred Stock (without par value) shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services, by way of dividends, or otherwise.

(9) (A) Every holder of Preferred Stock of any series shall have one vote for each share of such Preferred Stock held by him, and every holder of the Common Stock shall have one vote for each share of Common Stock held by him, for the election of Directors and upon all other matters, except as otherwise provided in this paragraph (9) hereof. At all elections of directors, any Shareholder may vote cumulatively. The foregoing shall not modify or affect the special votes and consents provided for in paragraph (7) hereof.

(B) If and when dividends shall be in default in an amount equivalent to dividends for the immediately preceding eighteen months on all shares of all series of the Preferred Stock and the Preferred Stock (without par value) at the time outstanding, and until all dividends in default on such Preferred Stock and such Preferred Stock (without par value) shall have been paid, the holders of all shares of the Preferred Stock and all shares of the Preferred Stock (without par value), voting separately as one class, shall be entitled to elect the smallest number of Directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Stock, voting separately as a class, shall be entitled to elect the remaining Directors of the Company.

(C) If and when all dividends then in default on the Preferred Stock and the Preferred Stock (without par value) at the time outstanding shall be paid (and such dividends shall be declared and paid, or declared and funds set aside for that purpose out of any funds legally available therefor as soon as reasonably practicable), the Preferred Stock and the Preferred Stock (without par value) shall thereupon be divested of any special right with respect to the election of Directors provided in subparagraph (B) hereof, and the voting power of the Preferred Stock, the Preferred Stock (without par value) and the Common Stock shall revert to the status existing before the occurrence of such default; but always subject to the same provisions for vesting such special rights in the Preferred Stock and the Preferred Stock (without par value) in case of further like default or defaults in dividends thereon.

(D) In case of any vacancy in the Board of Directors occurring among the Directors elected by the holders of the Preferred Stock and the Preferred Stock (without par

value), as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Preferred Stock and the Preferred Stock (without par value) (including, as elected by such holders, any Directors then in office who were chosen by other Directors as successor Directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In case of a vacancy in the Board of Directors occurring among the Directors elected by the holders of the Common Stock, as a class, pursuant to subparagraph (B) hereof, a majority of the remaining Directors elected by the holders of the Common Stock (including, as elected by such holders, any Directors then in office who were chosen by other directors as successor directors to fill vacancies as provided in this sentence) may elect a successor to hold office for the unexpired term of the Director whose place shall be vacant. In all other cases, any vacancy occurring among the Directors shall be filled by the vote of a majority of the remaining Directors.

(E) At all meetings of shareholders held for the purpose of electing Directors during such times as the holders of shares of the Preferred Stock and the Preferred Stock (without par value) shall have the special right, voting separately as one class, to elect Directors pursuant to subparagraph (B) hereof, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Common Stock shall be required to constitute a quorum of such class for the election of directors, and the presence in person or by proxy of the holders of Preferred Stock and Preferred Stock (without par value) entitled to cast a majority of all the votes to which the holders of the Preferred Stock and the Preferred Stock (without par value) are entitled, shall be required to constitute a quorum of such class for the election of Directors; provided, however, that the absence of a quorum (according to votes, as aforesaid) of the holders of stock of any such class shall not prevent the election at any such meeting or adjournment thereof of Directors by the other such class if such quorum of the holders of stock of such other class is present in person or by proxy at such meeting; and provided further that in the absence of such quorum of the holders of stock of any such class, a majority (according to votes, as aforesaid) of those holders of the stock of such class who are present in person or by proxy shall have power to adjourn the election of the directors to be elected by such class from time to time without notice other than announcement at the meeting until the holders of the requisite number of shares of such class shall be present in person or by proxy.

(F) Except when some mandatory provision of law shall be controlling and except as otherwise provided in paragraph (7) hereof whenever shares of two or more series of the Preferred Stock or of the Preferred Stock (without par value) are outstanding, no particular series shall be entitled to vote as a separate series on any matter and all shares of the Preferred Stock and the Preferred Stock (without par value) shall be deemed to constitute but one class for any purpose for which a vote of the shareholders of the Company by classes may now or hereafter be required.

5% CUMULATIVE PREFERRED STOCK, \$25 PAR VALUE

(10) The Company has classified \$21,519,300 par value of the Preferred Stock as a series of such Preferred Stock designated as "5% Cumulative Preferred Stock, \$25 Par Value," consisting of 860,772 shares of the par value of \$25 per share.

(11) The preferences, rights, qualifications and restrictions of the shares of the "5% Cumulative Preferred Stock, \$25 Par Value," shall be as follows:

(a) The annual dividend rate for such series shall be 5% per annum;

(b) The redemption price for such series shall be \$28.00 per share; and

(c) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be:

\$27.25 per share, in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the 5% Cumulative Preferred Stock, \$25 Par Value then outstanding, the amount so payable on such voluntary liquidation, dissolution, or winding up shall be \$25 per share; or

\$25 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

COMMON STOCK (Without par value)

The Board of Directors is hereby authorized to cause shares of Common Stock, without par value, to be issued from time to time for such consideration as may be fixed from time to time by the Board of Directors, or by way of stock split pro rata to the holders of the Common Stock. The Board of Directors may also determine the proportion of the proceeds received from the sale of such stock which shall be credited upon the books of the Company to Capital or Capital Surplus.

Each share of the Common Stock shall be equal in all respects to every other share of the Common Stock.

No holder of shares of Common Stock shall be entitled as such as a matter of right to subscribe for or purchase any part of any new or additional issue of stock, or securities

convertible into stock, of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services, or otherwise.

SIXTH. The duration of the Company shall be perpetual.

SEVENTH. The private property of the shareholders of the Company shall not be subject to the payment of corporate debts.

EIGHTH. A. CERTAIN DEFINITIONS. For purposes of this Article Eighth:

(1) "Affiliate," including the term "affiliated person," means a person who directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, a specified person.

(2) "Associate," when used to indicate a relationship with any person, means:

(a) Any corporation or organization (other than the Company or a Subsidiary), of which such person is an officer, director or partner or is, directly or indirectly, the Beneficial Owner of ten percent (10%) or more of any class of Equity Securities;

(b) Any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and

(c) Any relative or spouse of such person, or any relative of such spouse, any one (1) of whom has the same home as such person or is a director or officer of the corporation or any of its Affiliates.

(3) "Beneficial Owner," when used with respect to any Voting Stock, means a person:

(a) Who, individually or with any of its Affiliates or Associates, beneficially owns Voting Stock, directly or indirectly; or

(b) Who, individually or with any of its Affiliates or Associates, has:

1. The right to acquire Voting Stock, whether such right is exercisable immediately or only after the passage of time and whether or not such right is exercisable only after specified conditions are met, pursuant to any agreement, arrangement, or understanding or upon the

exercise of conversion rights, exchange rights, warrants or options, or otherwise:

2. The right to vote Voting Stock pursuant to any agreement, arrangement, or understanding; or

3. Any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting or disposing of Voting Stock with any other person who beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, such shares of Voting Stock.

(4) "Business Combination" means:

(a) Any merger or consolidation of the Company or any Subsidiary with any Interested Shareholder, or any other corporation, whether or not itself an Interested Shareholder, which is, or after the merger or consolidation would be, an Affiliate of an Interested Shareholder who was an Interested Shareholder prior to the transaction;

(b) Any sale, lease, transfer, or other disposition, other than in the ordinary course of business, in one (1) transaction or a series of transactions in any twelve-month period, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any Subsidiary, of any assets of the Company or any Subsidiary having, measured at the time the transaction or transactions are approved by the Board of Directors of the Company, an aggregate book value as of the end of the Company's most recently ended fiscal quarter of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth as of the end of its most recently ended fiscal quarter;

(c) The issuance or transfer by the Company, or any Subsidiary, in one transaction or a series of transactions in any twelve-month period, of any Equity Securities of the Company or any Subsidiary which have an aggregate Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company, determined as of the end of the Company's most recently ended fiscal quarter prior to the first such issuance or transfer, to any Interested Shareholder or any Affiliate of any Interested Shareholder, other than the Company or any of its Subsidiaries, except pursuant to the exercise of warrants or rights to purchase securities offered pro rata to all holders of the Company's Voting Stock or any other method affording substantially proportionate treatment to the holders of Voting Stock;

(d) The adoption of any plan or proposal for the liquidation or dissolution of the Company in which any thing other than cash will be received by an Interested Shareholder or any Affiliate of any Interested Shareholder; or

(e) Any reclassification of securities, including any reverse stock split; or recapitalization of the Company; or any merger or consolidation of the Company with any of its Subsidiaries; or any other transaction which has the effect, directly or indirectly, in one transaction or a series of transactions, of increasing by five percent (5%) or more the proportionate amount of the outstanding shares of any class of Equity Securities of the Company or any Subsidiary which is directly or indirectly beneficially owned by any Interested Shareholder or any Affiliate of any Interested Shareholder.

(5) "Common Stock" means any stock of the Company other than preferred or preference stock of the Company.

(6) "Continuing Director" means any member of the Company's Board of Directors who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its Affiliates, other than the Company or any of its Subsidiaries, and who was a director of the Company prior to the time the Interested Shareholder became an Interested Shareholder, and any successor to such Continuing Director who is not an Interested Shareholder or an Affiliate or Associate of an Interested Shareholder or any of its Affiliates, other than the Company or any of its Subsidiaries, and was recommended or elected by a majority of the Continuing Directors at a meeting at which a quorum consisting of a majority of the Continuing Directors is present.

(7) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of ten percent (10%) or more of the votes entitled to be cast by a corporation's Voting Stock creates a presumption of control.

(8) "Equity Security" means:

(a) Any stock or similar security, certificate of interest, or participation in any profit-sharing agreement, voting trust certificate, or certificate of deposit for the foregoing;

(b) Any security convertible, with or without consideration, into an Equity Security, or any warrant or other security carrying any right to subscribe to or purchase an Equity Security; or

(c) Any put, call, straddle, or other option, right or privilege of acquiring an Equity Security from or selling an Equity Security to another without being bound to do so.

(9) "Interested Shareholder" means any person, other than the Company or any of its Subsidiaries, who:

(a) Is the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the outstanding Voting Stock of the Company; or is an Affiliate of the Company and at any time within the two-year period immediately prior to the date in question was the Beneficial Owner, directly or indirectly, of ten percent (10%) or more of the voting power of the then outstanding Voting Stock of the Company.

(b) For the purpose of determining whether a person is an Interested Shareholder, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned by the person through application of Subsection (3) of this Paragraph A of Article Eighth but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement, or understanding, or upon exercise of conversion rights, warrants or options or otherwise.

(10) "Market Value" means:

(a) In the case of stock, the highest closing sale price during the thirty-day period immediately preceding the date in question of a share of such stock on the composite tape for New York Stock Exchange listed stocks, or, if such stock is not quoted on the composite tape, on the New York Stock Exchange, or if such stock is not listed on New York Stock Exchange, or if such stock is not listed on such exchange, on the principal United States securities exchange, registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the thirty-day period preceding the date in question on the National Association of Securities Dealers, Inc., Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present; and

(b) In the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the

Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(11) "Subsidiary" means any corporation of which Voting Stock having a majority of the votes entitled to be cast is owned, directly or indirectly, by the Company.

(12) "Voting Stock" means shares of capital stock of a corporation entitled to vote generally in the election of its directors.

B. MINIMUM SHARE VOTE REQUIREMENTS FOR APPROVAL OF BUSINESS COMBINATIONS.

(1) In addition to any vote otherwise required by law or these Articles of Incorporation, a Business Combination shall be recommended by the Board of Directors of the Company and approved by the affirmative vote of at least:

(a) Eighty percent (80%) of the votes entitled to be cast by outstanding shares of Voting Stock of the Company, voting together as a single voting group; and

(b) Two-thirds of the votes entitled to be cast by holders of Voting Stock other than Voting Stock beneficially owned by the Interested Shareholder who is, or whose Affiliate is, a party to the Business Combination or by an Affiliate or Associate of such Interested Shareholder, voting together as a single voting group.

(2) Unless a Business Combination is exempted from the operation of this Paragraph B in accordance with Paragraph C of this Article Eighth, the failure to comply with the voting requirements of Subsection (1) of this Paragraph B shall render such Business Combination void.

C. EXEMPTIONS FROM MINIMUM SHARE VOTE REQUIREMENTS.

(1) For purposes of Section (2) of this Paragraph C:

(a) "Announcement Date" means the first general public announcement of the proposal or intention to make a proposal of the Business Combination or its first communication generally to shareholders of the Company, whichever is earlier;

(b) "Determination Date" means the date on which an Interested Shareholder first became an Interested Shareholder; and

(c) "Valuation Date" means

1. For a Business Combination voted upon by shareholders, the latter of the day prior to the date of the shareholders' vote or the date twenty (20) days prior the consummation of the Business Combination; and

2. For a Business Combination not voted upon by shareholders, the date of the consummation of the Business Combination.

(2) The vote required by Section B of this Article Eighth does not apply to a Business Combination if each of the following conditions is met:

(a) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of Common Stock in such Business Combination is at least equal to the highest of the following:

1. The highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of Common Stock of the same class or series acquired by it:

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The Market Value per share of Common Stock of the same class or series on the Announcement Date or on the Determination Date, whichever is higher; or

3. The price per share equal to the Market Value per share of Common Stock of the same class or series determined pursuant to clause 2 of this Subsection (a), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of Common Stock of the

same class or series acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of Common Stock of the same class or series on the first day in such two-year period on which the Interested Shareholder acquired any shares of Common Stock.

(b) The aggregate amount of the cash and the Market Value as of the Valuation Date of consideration other than cash to be received per share by holders of shares of any class or series of outstanding stock other than Common Stock is at least equal to the highest of the following, whether or not the Interested Shareholder has previously acquired any shares of a particular class or series of stock:

1. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of such class of stock acquired by it:

a. Within the two-year period immediately prior to the Announcement Date of the proposal of the Business Combination; or

b. In the transaction in which it became an Interested Shareholder, whichever is higher; or

2. The highest preferential amount per share to which the holders of shares of such class of stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company; or

3. The Market Value per share of such class of stock on the Announcement Date or on the Determination Date, whichever is higher; or

4. The price per share equal to the Market Value per share of such class of stock determined pursuant to clause 3 of this Subsection (b), multiplied by the fraction of:

a. The highest per share price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of any class of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date, over

b. The Market Value per share of the same class of Voting Stock on the first day in such two-year period on which the Interested Shareholder acquired any shares of the same class of Voting Stock.

(c) In making any price calculation under Section (2) of this Paragraph C, appropriate adjustments shall be made to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock. The consideration to be received by holders of any class or series of outstanding stock is to be in cash or in the same form as the Interested Shareholder has previously paid for shares of the same class or series of stock. If the Interested Shareholder has paid for shares of any class of stock with varying forms of consideration, the form of consideration for such class of stock shall be either cash or the form used to acquire the largest number of shares of such class or series of stock previously acquired by it.

(d) 1. After the Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

a. There shall have been no failure to declare and pay at the regular date therefor any full periodic dividends, whether or not cumulative, on any outstanding preferred stock of the Company;

b. There shall have been no reduction in the annual rate of dividends paid on any class or series of stock of the Company that is not preferred stock, except as necessary to reflect any subdivision of the stock; and an increase in such annual rate of dividends as necessary to reflect any reclassification, including any reverse stock split; recapitalization; reorganization; or any similar transaction which has the effect of reducing the number of outstanding shares of the stock; and

c. The Interested Shareholder shall not become the Beneficial Owner of any additional shares of stock of the Company except as part of the transaction which resulted in such Interested Shareholder becoming an Interested Shareholder or by virtue of proportionate stock splits or stock dividends.

2. The provisions of subclauses a and b of clause 1 do not apply if no Interested Shareholder or an Affiliate or Associate of the Interested Shareholder voted as a director of the Company in a manner inconsistent with such subclauses and the Interested Shareholder, within ten (10) days after any act or failure to act inconsistent with such subclauses, notifies the Board of Directors of the Company in writing that the Interested Shareholder disapproves thereof and requests in good faith that the Board of Directors rectify such act or failure to act.

(e) After the Interested Shareholder has become an Interested Shareholder, the Interested Shareholder may not have received the benefit, directly or indirectly, except proportionately as a shareholder, of any loans, advances, guarantees, pledges or other financial assistance provided by the Company or any Subsidiary, whether in anticipation of or in connection with such Business Combination or otherwise.

(3) (a) The vote required by Section B of this Article Eighth does not apply to any Business Combination that is approved by a majority of Continuing Directors at a meeting of the Board of Directors at which a quorum consisting of at least a majority of the Continuing Directors is present.

(b) Unless by its terms a resolution adopted under the foregoing subsection (a) of this Section (3) is made irrevocable, it may be altered or repealed by the Board of Directors, but this shall not affect any Business Combinations that have been consummated, or are the subject of an existing agreement entered into, prior to the alteration or repeal.

D. Powers of the Board of Directors. A majority of the Continuing Directors of the Company shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article Eighth, including without limitation, (a) whether a person is an Interested Shareholder, (b) the number of shares of Voting Stock beneficially owned by any person, (c) whether a person is an Affiliate or Associate of another, (d) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Company or any Subsidiary in any Business Combination has, an aggregate book value or Market Value of five percent (5%) or more of the total Market Value of the outstanding stock of the Company or of its net worth, and (e) whether the requirements of Paragraph C of this Article Eighth have been met.

E. No Effect on Fiduciary Obligations of Interested Shareholders. Nothing contained in this Article Eighth shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

F. Amendment or Repeal. Notwithstanding any other provisions of this Article Eighth or of any other Article hereof, or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Eighth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Eighth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least: (i) 80% of the combined voting power of the then outstanding Voting Stock of the Company, voting together as a single class and (ii) 66-2/3% of the combined voting power of the then outstanding Voting Stock (which is not beneficially owned by any Interested Shareholder), voting together as a single class.

NINTH. A. Number, Election and Terms of Directors. The business of the Company shall be managed by a Board of Directors. The number of directors of the Company shall be fixed from time to time by or pursuant to the By-Laws of the Company. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fifth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as shall be provided in the manner specified in the By-Laws of the Company, one class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1988, another class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1989, and another class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1990, with each member of each class to hold office until his successor is elected and qualified. At each annual meeting of shareholders of the Company and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fifth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of shareholders held in the third year following the year of their election.

B. Shareholder Nomination of Director Candidates and Introduction of Business. Advance notice of shareholder nominations for the election of directors, and advance notice of business to be brought by shareholders before an annual meeting of shareholders, shall be given in the manner provided in the By-Laws of the Company.

C. Newly Created Directorships and Vacancies. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fifth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be

filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

D. Removal. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fifth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph D, if at any time any shareholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part. Whenever in this Article Ninth or in Article Tenth hereof or in Article Eleventh hereof, the phrase, "the then outstanding shares of the Company's stock entitled to vote generally" is used, such phrase shall mean each then outstanding share of any class or series of the Company's stock that is entitled to vote generally in the election of the Company's directors.

E. Amendment or Repeal. Notwithstanding any other provisions of this Article Ninth or of any other Article hereof or of the By-laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Ninth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Ninth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

TENTH. Any action required or permitted to be taken by the shareholders of the Company at a meeting of such holders may be taken without such a meeting only if a consent in writing setting forth the action so taken shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fifth hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of shareholders of the Company may be called only by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors or by the President of the Company. Notwithstanding any other provisions of this Article Tenth or of any other Article hereof or of the By-Laws of the Company (and

notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Tenth, any other Article hereof, or the By-Laws of the Company), the provisions of this Article Tenth may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

ELEVENTH. The Board of Directors shall have power to adopt, amend and repeal the By-Laws of the Company to the maximum extent permitted from time to time by Kentucky law; provided, however, that any By-Laws adopted by the Board of Directors under the powers conferred hereby may be amended or repealed by the Board of Directors or by the holders of at least a majority of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class, except that, and notwithstanding any other provisions of this Article Eleventh or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Eleventh, any other Article hereof or the By-Laws of the Company), no provision of Section 2, Section 4 or Section 5 of Article I of the By-Laws or of Section 1 of Article II of the By-Laws or of Section 2 of Article IV of the By-Laws or of Article IX of the By-Laws may be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class. Notwithstanding any other provisions of this Article Eleventh or of any other Article hereof or of the By-Laws of the Company (and notwithstanding the fact that a lesser percentage may be specified from time to time by law, this Article Eleventh, any other Article hereof or the By-Laws of the Company), the provisions of this Article Eleventh may not be altered, amended or repealed in any respect, nor may any provision inconsistent therewith be adopted, unless such alteration, amendment, repeal or adoption is approved by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally, voting together as a single class.

TWELFTH. A director of the Company shall not be personally liable to the Company or its shareholders for monetary damages for breach of his duties as a director, except for liability (i) for any transaction in which the director's personal financial interest is in conflict with the financial interests of the Company or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law, (iii) under Kentucky Revised Statutes 271 B.8-330, or (iv) for any transaction from which the director derived any improper personal benefit. If the Kentucky Business Corporation Act is amended after approval by the shareholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the Kentucky Business Corporation Act, as so amended.

Any repeal or modification of the foregoing paragraph by the shareholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of such repeal or modification.

THIRTEENTH. A. RIGHT TO INDEMNIFICATION. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than such law permitted the Company to provide prior to such amendment), against all liability, all reasonable expense and all loss (including, without limitation, judgments, fines, reasonable attorneys' fees, ERISA excise taxes or penalties and amounts paid in settlement) incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all liability, all reasonable expense and all loss (including, without limitation, judgments, fines, reasonable attorneys' fees, ERISA excise taxes or penalties and amounts paid in settlement) incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure the benefit of the Indemnified Officer's heirs, executors and administrators. Notwithstanding the foregoing and except as provided in Paragraph B of this Article Thirteenth with respect to proceedings to enforce rights to indemnification, the Company shall indemnify an Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or

Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article Thirteenth, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article Thirteenth. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he or she has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses conferred in this Paragraph A shall be a contract right.

B. RIGHT OF INDEMNITEE TO BRING SUIT. If a claim under Paragraph A of this Article Thirteenth is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard that makes it permissible hereunder or under the Kentucky Business Corporation Act (the "applicable standard") for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, a committee of the Board of Directors, independent legal counsel or its shareholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard, nor an actual determination by the Company (including its Board of Directors, a committee of the Board of Directors, independent legal counsel or its shareholders) that the indemnitee has not met the applicable standard shall create a presumption that the indemnitee has

not met the applicable standard or, in the case of such a suit brought by the indemnitee, shall be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article Thirteenth or otherwise shall be on the Company.

C. **NON-EXCLUSIVITY OF RIGHTS.** The rights to indemnification and to the advancement of expenses conferred in this Article Thirteenth shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, these Articles of Incorporation, any By-Law, any agreement, any vote of shareholders or disinterested directors or otherwise.

D. **INSURANCE.** The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

E. **INDEMNIFICATION OF EMPLOYEES AND AGENTS.** The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a joint venture, trust or other enterprise to the fullest extent of the provisions of this Article Thirteenth with respect to the indemnification and advancement of expenses of either directors or officers of the Company.

F. **REPEAL OR MODIFICATION.** Any repeal or modification of any provision of this Article Thirteenth shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

G. **SEVERABILITY.** In case any one or more of the provisions of this Article Thirteenth or any application thereof, shall be invalid or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions in this Article Thirteenth and any other application thereof, shall not in any way be affected or impaired thereby.

FOURTEENTH.

A. Terms of Preferred Stock, Auction Series A (without par value). The Company has classified 500,000 shares of the Preferred Stock (without par value) as a series of such Preferred Stock designated as "Preferred Stock, Auction Series A (without par value)." The

preferences, rights, qualifications and restrictions of the shares of the "Preferred Stock, Auction Series A (without par value)" shall be as follows:

(1) Authorized Shares: Units.

The shares of Preferred Stock, Auction Series A (without par value) (hereinafter referred to as the "Series A Stock") shall be purchased, sold, transferred and redeemed only in Units of 1,000 shares per unit (a "Unit"), except as provided in subsection (d) of Section (5).

(2) Dividends.

- (a) The Holders shall be entitled to receive, when and as declared by the Board of Directors of the Company, out of funds legally available therefor, cumulative cash dividends at the dividend rate per annum, determined as, and payable on the respective dates, set forth below.
- (b) The dividend rate on shares of Series A Stock shall be 3.30% per annum during the period (the "Initial Dividend Period") from February 11, 1992 (the "Date of Original Issue") and ending on April 14, 1992 and shall be payable on April 15, 1992 (the "Initial Dividend Payment Date"). Subsequent dividends shall be equal to the rate per annum that results from implementation of the Auction Procedures, except in the case of a Payment Failure. Notwithstanding the results of any Auction, however, and subject to subsection (1) of this Section (2), the dividend rate on the Series A Stock will not exceed 25% per annum for any Dividend Period (as hereinafter defined). Dividends on shares of Series A Stock shall accrue from February 11, 1992.
- (c) As of the end of the Initial Dividend Period and any subsequent Dividend Period, the Board of Directors of the Company may designate either (i) a Dividend Period of three months which shall commence on the day immediately following the last day of the preceding Dividend Period and shall end on the fourteenth day of January, April, July or October next succeeding (a "Quarterly Period") or (ii) a Dividend Period of either 49 days or 13 weeks (in either case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as provided in subsection (g) of this Section (2)) (a "Short-Term Period"). (The Initial Dividend Period, each subsequent Quarterly Period and any Short-Term Period, individually, is referred to herein as a "Dividend Period".) If and when the Board of Directors designates a Short-Term Period, each subsequent Dividend Period shall be a Short-Term Period. In the event of a change in law altering the minimum holding period (currently found in Section 246(c) of the Internal Revenue Code of 1986, as amended (the "Code")) (the "Minimum Holding Period") required for taxpayers to be entitled to the Dividends-Received Deduction, the length of each Short-Term Period commencing after the effective

date of such change in law shall be adjusted so that the number of days in such Short-Term Periods shall exceed the then-current Minimum Holding Period; provided that, (i) the Short-Term Period that originally was a 49-day Short-Term Period shall not exceed by more than nine days the length of the then-current Minimum Holding Period, (ii) the number of days in any Short-Term Period shall be evenly divisible by seven, and (iii) the maximum number of days in any Short-Term Period shall in no event exceed 98 days. Upon any such change in the number of days in a Short-Term Period, the Company shall give notice of such change to the Trust Company, the Securities Depository and each Existing Holder. Notwithstanding the provisions of this subsection (c), designation of a Short-Term Period shall be permitted only after such amendments to these Articles as are necessary to accommodate the payment of dividends for a Short-Term Period have been duly adopted.

- (d) The initial Short-Term Period shall end on a Wednesday designated by the Board of Directors of the Company which will be no earlier than the 46th day and no later than the 98th day after the last day of the preceding Quarterly Period (in any case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as provided in subsection (g) of this Section (2)). Each subsequent Short-Term Period will commence on the day immediately following the last day of the preceding Short-Term Period and will end (i) on the seventh Wednesday thereafter, in the case of a 49-day Short-Term Period or (ii) on the thirteenth Wednesday thereafter, in the case of a 13-week Short Term Period (in each case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period as provided in subsection (g) of this Section (2)). In the absence of a designation by the Board of Directors of the Company to the contrary, each 49-day Short-Term Period will be followed by a 49-day Short-Term Period and each 13-week Short-Term Period will be followed by a 13-week Short-Term Period.
- (e) Following any amendment of these Articles to permit dividend payments on a basis other than quarterly, and without regard to the designation by the Board of Directors of the Company of the duration of the next succeeding Dividend Period, (i) if Sufficient Clearing Bids do not result from an Auction, then the Dividend Period to which such Auction relates will be a 49-day Short-Term Period or (ii) if a Payment Failure has occurred, then the Dividend Period during which such Payment Failure has occurred, and each subsequent Dividend Period until such Payment Failure has been cured, will be a 49-day Short-Term Period (in each case, subject to adjustment for non-Business Days and to meet the Minimum Holding Period, as described in subsection (g) of this Section (2)).
- (f) Dividends with respect to any Quarterly Period will be payable in arrears, when and as declared, on the fifteenth day of each January, April, July and

October, unless such day is not a Business Day, in which case they shall be payable on the next succeeding Business Day (each a "Quarterly Dividend Payment Date"). Dividends with respect to any Short-Term Period shall be payable in arrears, when and as declared, on the Thursday next following the last day of the Short-Term Period (a Short-Term Dividend Payment Date"), except as provided in subsection (g) of this Section (2). (Each Quarterly Dividend Payment Date and Short-Term Dividend Payment Date, individually, is referred to herein as a "Dividend Payment Date.")

(g) Notwithstanding the provisions of subsections (c), (d), (e) and (f), with respect to the Short-Term Dividend Payment Date:

1. If the Thursday is not a Business Day, then the Short-Term Dividend Payment Date shall be the preceding Tuesday if both such Tuesday and the Wednesday following such Tuesday are Business Days; or
2. If the Friday following such Thursday is not a Business Day, then the Short-Term Dividend Payment Date will be the Wednesday preceding such Thursday if both such Wednesday and such Thursday are Business Days; or
3. If either (a) such Thursday is not a Business Day and either the preceding Tuesday or Wednesday is not a Business Day or (b) such Thursday is a Business Day and the Friday following such Thursday and such preceding Wednesday are not Business Days, then the Short-Term Dividend Payment Date shall be the first Business Day preceding such Thursday that is next succeeded by a Business Day.

Even though any particular Short-Term Dividend Payment Date may not occur on the originally scheduled Short-Term Dividend Payment Date because of the adjustments provided for in this subsection (g), the next succeeding Short-Term Dividend Payment Date shall occur, subject to such adjustments, on the seventh or the thirteenth Thursday, as applicable, following the originally scheduled Short-Term Dividend Payment Date. Notwithstanding the foregoing, if any Short-Term Dividend Payment Date set pursuant to this subsection (g) would occur in a number of days after the immediately preceding Short-Term Dividend Payment Date that is less than the number of days in the then-current Minimum Holding Period, the Short-Term Dividend Payment Date shall instead be the next Business Day that (i) is at least a number of days after the preceding Dividend Payment Date as to include the then-current Minimum Holding Period and (ii) is next succeeded by a Business Day. After any such adjustment pursuant to this subsection (g) to the Dividend Payment Date for any Short-Term Period, the last

day of such Short-Term Period shall also be adjusted so as to be the day immediately preceding such Dividend Payment Date.

- (h) Any designation by the Board of Directors of a Short-Term Period following a Quarterly Period shall be effective upon written notice thereof given by the Company to the Trust Company and to the Securities Depository prior to 1:00 P.M., New York City time, on the fifth Business Day prior to the Auction Date. Any designation by the Board of Directors of a change in the duration of the Short-Term Period shall be effective upon written notice thereof given by the Company to the Trust Company and to the Securities Depository prior to 1:00 P.M., New York City time, on the third Business Day prior to the Auction Date.
- (i) Dividends shall be payable to the Holders as their names appear on the stock books of the Company or of the registrar of the Series A Stock on the Business Day next preceding the Dividend Payment Date in the case of a Short-Term Period and on such date, not more than 30 days and not less than 10 days, as may be fixed by the Board of Directors, next preceding the Dividend Payment Date in the case of a Quarterly Period; provided that, if a Payment Failure exists, then such dividends shall be paid to the Holders as their names appear on the stock books on such date, not exceeding 15 days preceding the payment date thereof, as may be fixed by the Board of Directors.
- (j) Dividend rates for the shares of Series A Stock for each Dividend Period (other than the Initial Dividend Period) shall be equal to the rate per annum that results from the Auction with respect to such Dividend Period; provided that, (i) if a Payment Failure shall have occurred, the dividend rate for all Dividend Periods commencing on or after such Dividend Payment Date or redemption date and until such Payment Failure has been cured shall be a rate per annum equal to 250% of the Applicable AA Composite Commercial Paper Rate on the Business Day next preceding the commencement of each such Dividend Period (notwithstanding the results of any Auction for any such Dividend Period); and (ii) if a Payment Failure is remedied by reason of the Company having paid all dividends accrued and unpaid, and all unpaid redemption payments, on all shares of Series A Stock, the dividend rate for each Dividend Period commencing after the date on which the Payment Failure is remedied shall again be determined by an Auction. Notwithstanding the foregoing, and subject to subsection (1) of this Section (2), the dividend rate for any Dividend Period shall not exceed 25% per annum. The rate per annum at which dividends are payable on shares of Series A Stock for any Dividend Period (other than the Initial Dividend Period) is hereinafter referred to as the "Applicable Rate."
- (k) The dividend per share to accrue and be payable on each share of Series A Stock for the Initial Dividend Period shall be computed by multiplying the

product of 3.30% (the dividend rate for the Initial Dividend Period) and \$100 by a fraction, the numerator of which shall be the number of days in the Initial Dividend Period, including the first and last days of such Initial Dividend Period, and the denominator of which shall be 360. The dividend per share to accrue and be payable on each share of Series A Stock for each Quarterly Period shall be computed by dividing by four the product of the Applicable Rate for such Dividend Period and \$100. The dividend per share to accrue and be payable on each share of Series A Stock for any Short-Term Period shall be computed by multiplying the Applicable Rate for such Short-Term Period by a fraction, the numerator of which shall be the number of days in such Short-Term Period, including the first and last days of such Dividend Period, and the denominator of which shall be 360, and multiplying by \$100 the rate so obtained.

- (l) Notwithstanding anything to the contrary contained in subarticle A of this Article Fourteenth, the dividend rate for any Dividend Period on the Series A Stock shall not exceed 25% per annum; provided, however, that if paragraph (7)(B)(b) of Article Fifth hereof is amended to provide a method for computing the dividend rate on preferred stock having dividends determined pursuant to an adjustable, floating or variable rate, then from and after the date such amendment becomes effective, this subsection (l), including the 25% restriction contained in this subsection (l), shall cease to be operative, and shall be of no force and effect and all references to this subsection (l) in subarticle A of this Article Fourteenth shall be of no force and effect.

B. Terms of \$5.875 Cumulative Preferred Stock (without par value). The Company has classified 250,000 shares of the Preferred Stock (without par value) as a series of such Preferred Stock designated as "\$5.875 Cumulative Preferred Stock (without par value)." The preferences, rights, qualifications and restrictions of the shares of the "\$5.875 Cumulative Preferred Stock (without par value)," shall be as follows:

(3) Definitions.

As used with respect to the shares of Series A Stock, the following terms shall have the following meanings, unless the context otherwise requires:

"Affiliate" shall mean any Person known to the Trust Company to be controlled by, in control of or under common control with the Company.

"Agent Member" shall mean a member of the Securities Depository that will act on behalf of a Bidder and is identified as such in such Bidder's Master Purchaser's Letter.

"Applicable AA Composite Commercial Paper Rate," on any date, shall mean (i) with respect to a 49-day Short-Term Period, (A) the Interest Equivalent of the 60-day rate on commercial paper placed on behalf of issuers whose corporate bonds are rated "AA" by Standard & Poor's Corporation or its successor ("S&P"), or the equivalent of such rating by S&P or another rating agency, as such 60-day rate is made available on a discount basis or otherwise by the Federal Reserve Bank of New York for the Business Day immediately preceding such date, or (B) in the event that the Federal Reserve Bank of New York does not make available such a rate, then the arithmetic average of the Interest Equivalent of the 60-day rate on commercial paper placed on behalf of such issuers, and as quoted, on a discount basis or otherwise, to the Trust Company for the close of business on the Business Day immediately preceding such date by the Commercial Paper Dealers or (ii) with respect to a Quarterly Period or a 13-week Short-Term Period, the Interest Equivalent of the 90-day rate on such commercial paper as so determined. In the event that either of the Commercial Paper Dealers does not quote a rate required to determine the Applicable AA Composite Commercial Paper Rate, the Applicable AA Composite Commercial Paper Rate shall be determined on the basis of the quotations furnished by the remaining Commercial Paper Dealer and the Substitute Commercial Paper Dealer selected by the Company to provide such rate or, if the Company does not select any such Substitute Commercial Paper Dealer, the remaining Commercial Paper Dealer. If an adjustment is made to the length of a Short-Term Period to comply with the Minimum Holding Period pursuant to subsection (c) of Section (2), then if the resulting number of days in each subsequent Short-Term Period, before any adjustment shall be (i) 70 or more days but fewer than 85 days, such rate shall be the arithmetic average of the Interest Equivalent of the 60-day and 90-day rates on such commercial paper, or (ii) 85 or more days but 98 or fewer days, such rate shall be the Interest Equivalent of the 90-day rate on such commercial paper.

"Applicable Rate" shall have the meaning specified in Section (2), subsection (j).

"Auction" shall mean periodic implementation of the Auction Procedures set forth herein.

"Auction Date" shall mean the Business Day immediately preceding a Dividend Payment Date.

"Auction Procedures" shall mean the procedures for conducting Auctions set forth in Section (4).

"Available Units" shall have the meaning specified in Section (4), subsection (c), paragraph 1, subparagraph a.

"Bid" and "Bids" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Bidder" and "Bidders" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Board of Directors" shall mean the Board of Directors of the Company or any committee authorized by the Board of Directors to perform any or all of the duties of the Board with respect to the Series A Stock.

"Broker-Dealer" shall mean any broker-dealer or other entity permitted by law to perform the functions required of a Broker-Dealer in Sections (4) and (5), that is a member of, or a participant in, the Securities Depository and that has been selected by the Company and has entered into a Broker-Dealer Agreement with the Trust Company that remains effective.

"Broker-Dealer Agreement" shall mean an agreement between the Trust Company and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures specified in Sections (4) and (5).

"Business Day" shall mean a day on which the New York Stock Exchange, Inc. is open for trading and which is not a day on which banks in New York City are authorized by law to close.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Paper Dealers" shall mean Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated or, in lieu thereof, their respective affiliates or successors that are engaged in the business of buying and selling commercial paper.

"Date of Original Issue" shall have the meaning specified in Section (2), subsection (b).

"Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Dividend Period" shall have the meaning specified in Section (2), subsection (c).

"Dividends-Received Deduction" shall mean the dividends-received deduction on preferred stock held by nonaffiliate corporations (currently found in Section 243(a) of the Code).

"Existing Holder" shall mean a Person who has executed a Master Purchaser's Letter and who is listed as the beneficial owner of shares of Series A Stock in the records of the Trust Company.

"Hold Order" and **"Hold Orders"** shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Holders" shall mean the holders of shares of the Series A Stock as the same appear on the stock books of the Company or the registrar of the Series A Stock.

"Initial Dividend Payment Date" shall have the meaning specified in Section (2), subsection (b).

"Initial Dividend Period" shall have the meaning specified in Section (2), subsection (b).

"Interest Equivalent" shall mean the equivalent yield on a 360-day basis of a discount basis security to an interest-bearing security.

"Master Purchaser's Letter" shall mean a letter addressed to the Company, the Trust Company, the remarketing agent, a Broker-Dealer and an Agent Member in which the executing Person agrees, among other things, to offer to purchase, to purchase, to offer to sell and to sell shares of Series A Stock as set forth in Section (4).

"Maximum Rate" for any Auction shall mean, subject to subsection (l) of Section (2), the product of the Applicable AA Composite Commercial Paper Rate on the Auction Date for such Auction and the Rate Multiple.

"Minimum Holding Period" shall have the meaning specified in Section (2), subsection (c).

"Minimum Rate" for any Auction shall mean, subject to subsection (l) of Section (2), 58% of the Applicable AA Composite Commercial Paper Rate on the Auction Date for such Auction.

"Order" and **"Orders"** shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Outstanding Shares" shall mean, as of any date, shares of Series A Stock theretofore issued by the Company except, without duplication, (i) any shares theretofore canceled or delivered to the Trust Company for cancellation or redeemed or deemed to have been redeemed by the Company, (ii) any shares as to

which the Company or any Affiliate thereof shall be an Existing Holder, and (iii) any shares represented by any certificate in lieu of which a new certificate has been executed and delivered by the Company.

"Outstanding Units" shall mean Units comprised of Outstanding Shares.

"Payment Failure" shall mean a failure by the Company to pay to the Holders on or within three Business Days (i) after any Dividend Payment Date, the full amount of any dividends to be paid on such Dividend Payment Date on any share of the Series A Stock or (ii) after any redemption date, the redemption price to be paid on that redemption date on any share of the Series A Stock with respect to which a notice of redemption has been given.

"Person" shall mean an individual, a partnership, a corporation, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

"Potential Holder" shall mean any Person, including any Existing Holder, (i) who shall have executed a Master Purchaser's Letter and (ii) who may be a prospective purchaser of Units (or, in the case of an Existing Holder, additional Units).

"Quarterly Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Quarterly Period" shall have the meaning specified in Section (2), subsection (c). **"Rate Multiple,"** on any Auction Date, shall mean the percentage determined as set forth below based on the Prevailing Rating (as defined below) of the Series A Stock in effect at the close of business on the Business Day immediately preceding such Auction Date:

<u>Prevailing Rating</u>	<u>Percentage</u>
AA/aa or above	110%
A/a.....	150%
BBB/baa.....	200%
Below BBB/baa	250%

For purposes of this definition, the **"Prevailing Rating"** of the Series A Stock shall be (i) AA/aa or above, if the Series A Stock has a rating of AA- or better by S&P and a rating of aa3 or better by Moody's Investors Service, Inc. or its successor ("Moody's"), or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, (ii) if not AA/aa or above, then A/a, if the Series A Stock has a rating of A- or better by S&P and a

rating of a3 or better by Moody's, or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, (iii) if not AA/aa or above or A/a, then BBB/baa, if the Series A Stock has a rating of BBB- or better by S&P and a rating of baa3 or better by Moody's, or the equivalent of both of such ratings by a substitute rating agency or substitute rating agencies selected as provided below, and (iv) if not AA/aa or above, A/a or BBB/baa, then Below BBB/baa. If both S&P and Moody's fail to make such a rating available, Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated, or their successors and assigns, will select one or two nationally recognized securities rating agencies to act as a substitute rating agency or agencies. The Company will take all reasonable action necessary to enable S&P and Moody's, or such substitute rating agency or agencies, to provide a rating for the Series A Stock.

"Remaining Units" shall have the meaning specified in Section (4), subsection (d), paragraph 1, subparagraph d.

"Securities Depository" shall mean The Depository Trust Company and its successors and assigns or any other securities depository selected by the Company which agrees to follow the procedures required to be followed by such securities depository in connection with shares of the Series A Stock.

"Sell Order" and "Sell Orders" shall have the respective meanings specified in Section (4), subsection (a), paragraph 1, subparagraph c.

"Short-Term Dividend Payment Date" shall have the meaning specified in Section (2), subsection (f).

"Short-Term Period" shall have the meaning specified in Section (2), subsection (c).

"Submission Deadline" shall mean 1:00 P.M., New York City time, on any Auction Date or such other time on any Auction Date by which Broker-Dealers are required to submit Orders to the Trust Company as specified by the Trust Company from time to time.

"Submitted Bid" and "Submitted Bids" shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Submitted Hold Order" and "Submitted Hold Orders" shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Submitted Order" shall have the meaning specified in Section (4), subsection (c), paragraph 1.

"Submitted Sell Order" and **"Submitted Sell Orders"** shall have the respective meanings specified in Section (4), subsection (c), paragraph 1.

"Substitute Commercial Paper Dealer" shall mean any commercial paper dealer that is a leading dealer in the commercial paper market.

"Sufficient Clearing Bids" shall have the meaning specified in Section (4), subsection (c), paragraph 1, subparagraph b.

"Trust Company" shall mean a bank or trust company duly appointed as such with respect to the shares of the Series A Stock.

"Unit" shall have the meaning specified in Section (1).

"Winning Bid Rate" shall have the meaning specified in Section (4), subsection (c) paragraph 1, subparagraph c.

(4) Auction Procedures.

(a) Orders by Existing Holders and Potential Holders.

1. Prior to the Submission Deadline on each Auction Date:

a. Each Existing Holder may submit to a Broker-Dealer by telephone information as to:

(i) the number of Outstanding Units, if any, held by such Existing Holder that such Existing Holder desires to continue to hold for the next succeeding Dividend Period without regard to the rate determined by the Auction Procedures;

(ii) the number of Outstanding Units, if any, that such Existing Holder desires to continue to hold for the next succeeding Dividend Period, if the rate determined by the Auction procedures shall not be less than the rate per annum specified by such Existing Holder; and/or

(iii) the number of Outstanding Units, if any, held by such Existing Holder that such Existing Holder offers to

sell without regard to the rate determined by the Auction Procedures for the next succeeding Dividend Period; and

- b. Each Broker-Dealer, using a list of Potential Holders, in good faith for the purpose of conducting a competitive Auction in a commercially reasonable manner, shall contact Potential Holders, including Persons that are not Existing Holders, on such list to determine the number of Outstanding Units, if any, that each such Potential Holder offers to purchase, if the rate determined by the Auction Procedures for the next succeeding Dividend Period shall not be less than the rate per annum specified by such Potential Holder.
- c. For the purposes hereof, the communication to a Broker-Dealer of information referred to in subparagraph a or subparagraph b of this paragraph 1 is referred to hereinafter as an "Order" and collectively as "Orders," and each Existing Holder and each Potential Holder placing an Order is referred to hereinafter as a "Bidder" and collectively as "Bidders;" an Order containing the information referred to in clause (i) of subparagraph a of this paragraph 1 is referred to hereinafter as a "Hold Order" and collectively as "Hold Orders;" an Order containing the information referred to in clause (ii) of subparagraph a or subparagraph b of this paragraph 1 is referred to hereinafter as a "Bid" and collectively as "Bids;" and an Order containing the information referred to in clause (iii) of subparagraph a of this paragraph 1 is referred to hereinafter as a "Sell Order" and collectively as "Sell Orders."
- d. On any Auction Date, a Bid submitted by an Existing Holder shall constitute an irrevocable offer to sell:
 - (i) the number of Outstanding Units specified in such bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified in such Bid; or
 - (ii) such number or a lesser number of Outstanding Units to be determined as set forth in subsection (d), paragraph 1, subparagraph d, of this Section (4), if the rate determined by the Auction Procedures on such Auction Date shall be equal to the rate specified in such Bid; or

- (iii) a lesser number of Outstanding Units than was specified in such Bid, to be determined as set forth in subsection (d), paragraph 2, subparagraph c, of this Section (4), if the rate specified therein shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.
- e. On any Auction Date, a Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:
 - (i) the number of Outstanding Units specified in such Sell Order; or
 - (ii) such number or a lesser number of Outstanding Units as set forth in subsection (d), paragraph 2, subparagraph c, of this Section (4) if Sufficient Clearing bids do not exist.
- f. On any Auction Date, a Bid by a Potential Holder shall constitute an irrevocable offer to purchase:
 - (i) the number of Outstanding Units specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified in such Bid; or
 - (ii) such number or a lesser number of Outstanding Units as set forth in subsection (d), paragraph 1, subparagraph e, of this Section (4) if the rate determined by the Auction Procedures on such Auction Date shall be equal to the rate specified in such Bid.
- g. On each Auction Date, the Trust Company shall determine the Applicable AA Composite Commercial Paper Rate and the Maximum Rate and shall notify the Company and each Broker-Dealer of each such rate not later than 9:30 A.M. on such Auction Date or such other time on such Auction Date as specified by the Trust Company with the consent of the Company (which consent shall not be unreasonably withheld).

(b) Submission of Orders by Broker-Dealers to Trust Company.

1. Each Broker-Dealer shall submit in writing to the Trust Company prior to the Submission Deadline on each Auction Date all Orders obtained by such Broker-Dealer and specifying with respect to each Order:
 - a. The name of the Bidder placing such Order;
 - b. The aggregate number of Units that are the subject of such Order;
 - c. To the extent that such Bidder is an Existing Holder:
 - (i) the number of Units, if any, subject to any Hold Order placed by such Existing Holder;
 - (ii) the number of Units, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid; and
 - (iii) the number of Units, if any, subject to any Sell Order placed by such Existing Holder; and
 - d. To the extent such Bidder is a Potential Holder, the number of Units and the rate specified in such Potential Holder's Bid.
2. If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Trust Company shall round such rate up to the next highest one thousandth (.001) of 1%.
3. If, for any reason, an Order or Orders covering all of the Outstanding Units held by any Existing Holder is not submitted to the Trust Company prior to the Submission Deadline, the Trust Company shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the number of Outstanding Units held by such Existing Holder and not subject to Orders submitted to Trust Company.
4. If one or more Orders by an Existing Holder covering in the aggregate more than the number of Outstanding Units held by such Existing Holder are submitted to the Trust Company by one or more Broker-Dealers on behalf of such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

- a. Any Hold Orders submitted on behalf of such Existing Holder shall be considered valid up to and including, in the aggregate, the number of Outstanding Units held by such Existing Holder; provided that, if more than one Hold Order is submitted on behalf of such Existing Holder and the number of Units subject to such Hold Orders exceeds the number of Outstanding Units held by such Existing Holder, the number of Units subject to such Hold Orders shall be reduced pro rata so that such Hold Orders shall cover only the number of Outstanding Units held by such Existing Holder;
- b. (i) Any Bid submitted on behalf of an Existing Holder shall be considered valid up to and including the excess of the number of Outstanding Units held by such Existing Holder over the number of Units subject to valid Hold Orders of such Existing Holder referred to in subparagraph a of this paragraph 4.
- (ii) subject to clause (i) of this subparagraph b, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate number of Outstanding Units subject to such Bids is greater than the excess referred to in clause (i) of this subparagraph b, such Bids shall be considered valid up to the amount of such excess and the number of Units subject to such Bids shall be reduced pro rata so that such Bids shall cover only the number of Units equal to such excess,
- (iii) subject to clause (i) of this subparagraph b, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid in their entirety up to the excess referred to in clause (i) of this subparagraph b in the ascending order of their respective rates, and
- (iv) in any such event specified in this subparagraph b, the number, if any, of such Units subject to Bids not valid under this subparagraph b shall be treated as the subject of a Bid by a Potential Holder; and
- c. Any Sell Order shall be considered valid up to and including, in the aggregate, the excess of the number of Outstanding Units held by such Existing Holder over the sum of

the Units subject to valid Hold Orders of such Existing Holder referred to in subparagraph a of this paragraph 4 and valid Bids by such Existing Holder referred to in subparagraph b of this paragraph 4.

5. In any Auction, if more than one Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and number of Units therein specified.
6. Orders by Existing Holders and Potential Holders must specify a whole number of Units. An Order that does not specify a whole number of Units will not be considered a Submitted Order for purposes of the Auction.

(c) Determination of Sufficient Clearing Bids, Winning Bid Rate and Applicable Rate.

1. Not earlier than the Submission Deadline on each Auction Date, the Trust Company shall assemble all Orders submitted or deemed submitted to it by Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being referred to hereinafter individually as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, or as a "Submitted Order") and shall determine:
 - a. The excess of the total number of Outstanding Units over the number of Outstanding Units that are the subject of Submitted Hold Orders (such excess being hereinafter referred to as the "Available Units");
 - b. From the Submitted Orders, whether the number of Outstanding Units that are the subject of Submitted Bids by Existing Holders and Potential Holders specifying one or more rates equal to or lower than the Maximum Rate exceeds or is equal to the sum of:
 - (i) the number of Outstanding Units that are the subject of Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Rate, and
 - (ii) the number of Outstanding Units that are subject to Submitted Sell Orders (in the event of such excess or of such equality (other than because the number of Units specified in each of clauses (i) and (ii) of this subparagraph

b is zero because all of the Outstanding Units are the subject of Submitted Hold Orders) such Submitted Bids in this subparagraph b are hereinafter referred to collectively as "Sufficient Clearing Bids"); and

c. If Sufficient Clearing Bids exist, the lowest rate specified in the Submitted Bids (the "Winning Bid Rate") which if:

(i) (A) Each Submitted Bid from Existing Holders specifying such Winning Bid Rate and (B) all other Submitted Bids from Existing Holders specifying lower rates were accepted, thus entitling such Existing Holders to continue to hold the Outstanding Units that are the subject of such Submitted Bids, and

(ii) (A) Each Submitted Bid from Potential Holders specifying such Winning Bid Rate and (B) all other Submitted Bids from Potential Holders specifying lower rates were accepted, thus requiring the Potential Holders to purchase the Outstanding Units that are subject to such Submitted Bids,

would result in such Existing Holders described in clause (i) of this subparagraph c continuing to hold an aggregate number of Outstanding Units that, when added to the numbers of Outstanding Units to be purchased by such Potential Holders described in clause (ii) of this subparagraph c, would at least equal the Available Units.

2. In connection with any Auction and promptly after the Trust Company has made the determinations pursuant to paragraph 1 of this subsection (c), the Trust Company shall advise the Company of the Applicable AA Composite Commercial Paper Rate and the Maximum Rate and, based on such determinations, of the Applicable Rate for the next succeeding Dividend Period and such other information as follows:

a. If Sufficient Clearing Bids exist, that the Applicable Rate for the next succeeding Dividend Period shall be equal to the Winning Bid Rate so determined;

b. If Sufficient Clearing Bids do not exist (other than because all of the Outstanding Units are the subject of Submitted Hold

Orders), that the Applicable Rate for the next succeeding Dividend Period shall be the Maximum Rate; or

- c. If all of the Outstanding Units are the subject of Submitted Hold Orders, that the Applicable Rate for the next succeeding Dividend Period shall be equal to the Minimum Rate.

(d) Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Units.

Based on the determinations made pursuant to subsection (c), paragraph 1, of this Section (4), the Submitted Bids and Submitted Sell Orders shall be accepted or rejected and the Trust Company shall take such other action as set forth below:

- 1. If Sufficient Clearing Bids have been made, subject to the provisions of paragraphs 4 and 5 of this subsection (d), Submitted Bids and Submitted Sell Orders shall be accepted or rejected in the following order of priority and all other Submitted Bids shall be rejected:
 - a. The Submitted Sell Orders of each Existing Holder shall be accepted and the Submitted Bids of each Existing Holder specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Holder to sell the Outstanding Units that are the subject of such Submitted Sell Orders or Submitted Bids;
 - b. The Submitted Bids of each Existing Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus entitling each such Existing Holder to continue to hold the Outstanding Units that are the subject of such Submitted Bids;
 - c. The Submitted Bids of each Potential Holder specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring such Potential Holder to purchase the number of Outstanding Units that are the subject of such Submitted Bids;
 - d. The Submitted Bids of each Existing Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus entitling such Existing Holder to continue

to hold the Outstanding Units that are the subject of each such Submitted Bid, unless the number of Outstanding Units subject to all such Submitted Bids of Existing Holders shall be greater than the number of Outstanding Units ("Remaining Units") equal to the excess of the Available Units over the number of Outstanding Units subject to Submitted Bids described in subparagraphs b and c of this paragraph 1, in which event the Submitted Bids of each such Existing Holder shall be rejected, and each such Existing Holder shall be required to sell Units, but only in an amount equal to the difference between (i) the number of Outstanding Units then held by such Existing Holder subject to such Submitted Bid and (ii) the number of Outstanding Units obtained by multiplying (x) the number of Remaining Units by (y) a fraction (the numerator of which shall be the number of Outstanding Units held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the number of Outstanding Units subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate); and

- e. The Submitted Bid of each Potential Holder specifying a rate that is equal to the Winning Bid Rate shall be accepted, but only in an amount equal to the number of Outstanding Units obtained by multiplying (x) the difference between the Available Units and the number of Outstanding Units subject to Submitted Bids described in subparagraphs b, c, and d of this paragraph 1 by (y) a fraction (the numerator of which shall be the number of Outstanding Units subject to such Submitted Bid of such Potential Holder and the denominator of which shall be the sum of the number of Outstanding Units subject to Submitted Bids that specified rates equal to the Winning Bid Rate submitted by all such Potential Holders).

- 2. If Sufficient Clearing Bids have not been made (other than because all of the Outstanding Units are subject to Submitted Hold Orders), subject to the provisions of paragraph 4 of this subsection (d), Submitted Orders shall be accepted or rejected in the following order of priority and all other Submitted Bids shall be rejected:

- a. The Submitted Bids of each Existing Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus entitling such Existing Holder to continue to hold the Outstanding Units that are the subject of such Submitted Bids;
 - b. The Submitted Bids of each Potential Holder specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring such Potential Holder to purchase the Outstanding Units that are the subject of such Submitted Bids; and
 - c. The Submitted Bids of each Existing Holder specifying any rate that is higher than the Maximum Rate shall be rejected, and each Submitted Sell Order of each Existing Holder shall be accepted, thus requiring such Existing Holder to sell the Outstanding Units that are the subject of each such Submitted Bid or Submitted Sell Order, in both cases only in an amount equal to the difference between (i) the number of Outstanding Units then held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and (ii) the number of Outstanding Units obtained by multiplying (x) the difference between the Available Units and the aggregate number of Outstanding Units subject to Submitted Bids described in subparagraphs a and b of this paragraph 2 by (y) a fraction (the numerator of which shall be the number of Outstanding Units held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the number of Outstanding Units subject to all such Submitted Bids and Submitted Sell Orders of Existing Holders).
3. If all of the Outstanding Units are the subject of Submitted Hold Orders, all Submitted Bids shall be rejected.
 4. If, as a result of the procedures described in paragraph 1 or 2 of this subsection (d), any Existing Holder would be entitled to hold or required to sell, or any Potential Holder would be required to purchase, a fraction of a Unit on any Auction Date, the Trust Company shall, in such manner as, in its sole discretion, it shall determine, round up or down the number of Units to be held or sold by any Existing Holder or purchased by any Potential Holder

on such Auction Date so that the number of Units held or sold by each Existing Holder or purchased by any Potential Holder on such Auction Date shall be a whole number of Units.

5. If, as a result of the procedures described in paragraph 1 of this subsection (d), any Potential Holder would be entitled or required to purchase less than a whole Unit on any Auction Date, the Trust Company shall, in such manner as, in its sole discretion, it shall determine, allocate Units for purchase among Potential Holders so that only whole Units are purchased on such Auction Date by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing Units on such Auction Date.

6. Based on the results of each Auction, the Trust Company shall determine the aggregate number of Outstanding Units to be purchased and the aggregate number of Outstanding Units to be sold by Potential Holders and Existing Holders on whose behalf each Broker-Dealer submitted Bids or Sell Orders and, with respect to each Broker-Dealer, to the extent that such aggregate number of Units to be sold differ, determine to which other Broker-Dealer or Broker-Dealers acting for one or more purchasers such Broker-Dealer shall deliver, or from which other Broker-Dealer or Broker-Dealers acting for one or more sellers such Broker-Dealer shall receive, as the case may be, Units.

(5) Miscellaneous.

(a) So long as the Applicable Rate is based on the results of an Auction, an Existing Holder (i) may sell, transfer or otherwise dispose of shares of Series A Stock only in Units and only pursuant to a Bid or Sell Order in accordance with the Auction Procedures, or to or through a Broker-Dealer or to a Person that has delivered a signed copy of a Master Purchaser's Letter to the Trust Company; provided that, in the case of all transfers other than pursuant to Auctions, such Existing Holder or its Broker-Dealer or its Agent Member advises the Trust Company of such transfer, and (ii) shall have the ownership of the shares of Series A Stock held by it maintained in book entry form by the Securities Depository in the account of its Agent Member, which in turn will maintain account records of such Existing Holder's beneficial ownership.

(b) Neither the Company nor any Affiliate thereof may submit an Order in any Auction.

- (c) All references to time of day refer to New York City time.
- (d) From and during the continuance of a Payment Failure and during any period in which there shall not be a Securities Depository, shares of Series A Stock may be registered for transfer or exchange and new certificates issued upon surrender of the old certificates properly endorsed for transfer, with (i) all necessary endorsers' signatures guaranteed in such manner and form as the Trust Company (or such other transfer agent or registrar) may require by a guarantor reasonably believed by the Trust Company (or such other transfer agent or registrar) to be responsible, (ii) accompanied by such assurances as the Trust Company (or such other transfer agent or registrar) shall deem necessary or appropriate to evidence the genuineness and effectiveness of each necessary endorsement and (iii) satisfactory evidence of compliance with all applicable laws relating to the collection of taxes or funds necessary for the payment of such taxes.
- (e) Commencing with the Dividend Payment Date for which a Payment Failure occurs, the Company or an Affiliate thereof, at the option of the Company, may perform any of the functions to be performed by the Trust Company or the Securities Depository set forth herein.
- (f) The Board of Directors of the Company may interpret the provisions of the Auction Procedures as set forth herein to resolve any inconsistency or ambiguity which may arise or be revealed in connection therewith, and, if such inconsistency or ambiguity reflects an inaccurate provision hereof, the Board of Directors of the Company may, in appropriate circumstances, authorize the filing of a corrected Articles of Amendment.
- (g) Shares of Series A Stock which have been redeemed or otherwise acquired by the Company or any Affiliate are not subject to reissuance as Series A Stock.

(6) Redemption.

The shares of Series A Stock shall be subject to redemption, in whole or in part on any Dividend Payment Date, upon the notice and in the manner and with the effect provided in Article Fifth of these Articles; provided that if such Article Fifth is amended to grant the Company's Board of Directors in certain instances the authority to determine the time, form and manner of a notice of redemption, from and after the date such amendment becomes effective, publication of notice of the redemption of the Series A Stock shall not be required and notice of such redemption shall be sufficient if mailed at least thirty (30) days' prior to redemption to the holders of record of the Series A Stock so to be redeemed, at their respective addresses as the same shall appear on the books of the Company, but no failure to mail a particular notice nor any defect therein or in the

mailing thereof shall affect the validity of the proceedings for the redemption of those shares of Series A Stock for which proper notice has been given; provided further that all other terms of Article Fifth, as amended, relating to the redemption of shares of Preferred Stock and Preferred Stock (without par value) shall continue to apply to the redemption of the Series A Stock. The notice of redemption shall include a statement setting forth (i) the number of shares of the Series A Stock to be redeemed (if applicable to be denominated in Units), (ii) the date fixed for redemption and (iii) the redemption price. So long as shares of Series A Stock are held of record by the nominee of the Securities Depository, the Company need only give notice to the Securities Depository of any such redemption. The redemption price or prices applicable to shares of said series shall be \$100.00 per share plus accrued and unpaid dividends to the date of redemption. Unless the shares of Series A Stock shall have been registered for transfer and exchange as provided in subsection (d) of Section (5), redemptions shall be made only in whole Units.

(7) Voluntary or Involuntary Liquidation.

The preferential amounts to which the holders of Series A Stock shall be entitled upon any voluntary or involuntary liquidation, dissolution or winding up of the Company, in addition to dividends accumulated but unpaid thereon, shall be \$100 per share.

(8) Stated Value.

The stated value of the Series A Stock shall be \$100 per share.

B. Terms of \$5.875 Cumulative Preferred Stock (without par value). The Company has classified 250,000 shares of the Preferred Stock (without par value) as a series of such Preferred Stock designated as "\$5.875 Cumulative Preferred Stock (without par value)." The preferences, rights, qualifications and restrictions of the shares of the "\$5.875 Cumulative Preferred Stock (without par value)," shall be as follows:

(1) The annual dividend payable in respect of each share of said series shall be \$5.875; and the initial dividend in respect of each share of said series shall be payable on July 15, 1993, when and as declared by the Board of Directors of this Company, to holders of record on June 30, 1993, and will accrue from the date of original issuance of said series; thereafter, such dividends shall be payable on January 15, April 15, July 15 and October 15 in each year (or the next business date thereafter in each case), when and as declared by the Board of Directors of this Company, for the quarter-yearly period ending on the last business day of the preceding month.

(2) The shares of said series are not subject to redemption prior to July 1, 1998. On and after July 1, 1998, the shares of said series shall be subject to redemption, in whole or in part, in the manner and with the effect provided in these Articles; and the redemption price or prices applicable to shares of said series shall be \$105.875 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July

1. 1998, and prior to July 1, 1999: \$104.700 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 1999, and prior to July 1, 2000: \$103.525 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2000, and prior to July 1, 2001; \$102.350 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2001, and prior to July 1, 2002; \$101.175 per share plus accrued and unpaid dividends to the date of redemption if such date of redemption is on or subsequent to July 1, 2002, and prior to July 1, 2003; and \$100.000 per share plus accrued and unpaid dividends thereafter.

Notice of every such redemption shall be mailed at least thirty (30) days prior to redemption to the holders of record of the \$5.875 Cumulative Preferred Stock (without par value) so to be redeemed, at their respective addresses as the same shall appear on the books of the Company, but no failure to mail a particular notice nor any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of those shares of \$5.875 Cumulative Preferred Stock (without par value) for which proper notice has been given.

(3) So long as any shares of said series shall remain outstanding, the Company shall on or before July 15, 2003, and on or before July 15 of each year thereafter to and including July 15, 2007, set aside, separate and apart from its other funds, an amount equal to \$1,250,000 (or such lesser amount as may be sufficient to redeem all of the shares of said series then outstanding) and shall on or before July 15, 2008 (each such July 15 being hereinafter in this Section 3 called a "Sinking Fund Redemption Date"), set aside, separate and apart from its other funds, an amount equal to \$18,750,000 (or such lesser amount as may be sufficient to redeem all the shares of said series then outstanding) as a mandatory sinking fund payment for the exclusive benefit of shares of said series, plus such further amount as shall equal the accrued and unpaid dividends on the shares of said series to be redeemed out of such payment (as hereinafter in this Section 3 provided) through the day preceding the applicable Sinking Fund Redemption Date. The obligation of the Company to make such payment shall be cumulative, so that if for any reason the full amount thereof shall not be set aside for any year, the amount of the deficiency from time to time shall be added to the amount due from the Company on subsequent Sinking Fund Redemption Dates (or, if such deficiency exists on July 15, 2008, on subsequent quarterly dividend payment dates thereafter for such series) until the deficiency shall have been fully satisfied. The Company shall be entitled to credit against any such mandatory sinking fund payment shares of said series redeemed by the Company at the Company's option, purchased by the Company in the open market or otherwise acquired by the Company, except through application of any sinking fund payment, and not theretofore so credited, at the sinking fund redemption price hereinafter specified in this Section 3.

Any amounts set aside by the Company pursuant to this Section 3 shall be applied on the date of such setting aside if a Sinking Fund Redemption Date or otherwise on the first Sinking Fund Redemption Date occurring thereafter to the redemption of shares of said series at \$100.000 per share, plus accrued and unpaid dividends through the day preceding the applicable

Sinking Fund Redemption Date, in the manner and upon the notice provided in Section 2 of this subarticle B. If any Sinking Fund Redemption Date shall be a Saturday, Sunday or other day on which banking institutions in Louisville, Kentucky are authorized or obligated to remain closed, such term shall be construed to refer to the next preceding business day.

Notwithstanding anything to the contrary set forth above, no sinking fund payments on the shares of said series of \$5.875 Cumulative Preferred Stock shall be made: (i) unless the full dividends on all shares of Preferred Stock and Preferred Stock (without par value) at the time outstanding for all past dividend periods shall have been paid or declared and set apart for payment or (ii) if such sinking fund payment would be contrary to applicable law.

(4) The preferential amounts to which the holders of shares of such series shall be entitled upon any liquidation, dissolution or winding up of the Company in addition to dividends accumulated but unpaid thereon, shall be \$100.000 per share in the event of any voluntary liquidation, dissolution or winding up of the Company, except that if such voluntary liquidation, dissolution or winding up of the Company shall have been approved by the vote in favor thereof given at a meeting called for that purpose or by the written consent of the holders of a majority of the total shares of the \$5.875 Cumulative Preferred Stock (without par value) then outstanding, the amount so payable on such voluntary liquidation, dissolution or winding up shall be \$100.000 per share; or \$100.000 per share, in the event of any involuntary liquidation, dissolution or winding up of the Company.

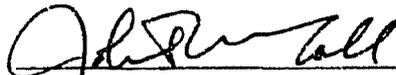
(5) The shares of said series of \$5.875 Cumulative Preferred Stock (without par value) shall be subject to all other terms, provisions and restrictions set forth in these Articles with respect to the shares of the Preferred Stock (without par value) and, excepting only as to the rates of dividend payable in respect of the shares of said series, the dividend periods and dividend payment dates, the redemption price or prices applicable to the shares of said series, the sinking fund provisions applicable to the shares of said series, and the liquidation price applicable to shares of said series, shall have the same relative rights and preferences as, shall be of equal rank with, and shall confer rights equal to those conferred by, all other shares of the Preferred Stock (without par value) of the Company.

(6) The stated value of the shares of said series shall be \$100.00 per share."

The undersigned hereby certifies that the Articles of Amendment and Restated Articles of Incorporation correctly sets forth the corresponding Articles of Incorporation as amended and that these Articles of Amendment and Restated Articles of Incorporation supersede the original Articles of Incorporation and any amendments and corrections thereto.

Louisville Gas and Electric Company

By:


John R. McCall, Executive Vice President,
Secretary and General Counsel



LG&E Energy Corp.
220 West Main Street
P.O. Box 32030
Louisville, Kentucky 40232

November 4, 1996

Federal Express

Secretary of State
Capital Building
Room 154
Frankfort, KY 40601

RE: Louisville Gas and Electric Company

Dear Sir:

Enclosed for filing is an original and two conformed copies of the Articles of Amendment and Restated Articles of Incorporation of Louisville Gas and Electric Company, together with a check in the amount of \$80 to cover the filing fees.

Please file the Restatement and return two file stamped copies to me as soon as possible.

Thanks for your assistance. If you have any questions, please call me at (502) 627-4947.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cheryl L. Johnson".

Cheryl L. Johnson
Corporate Affairs Coordinator

enclosures

0032196.09

Trey Grayson
Secretary of State
Received and Filed
04/08/2004 12:40:33 PM
Fee Receipt: \$40.00

**ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY**

Pursuant to the provisions of KRS 271B.10-030 and KRS 271B.10-060, the following Articles of Amendment to the Articles of Incorporation of Louisville Gas and Electric Company, a Kentucky corporation (the "Corporation"), are hereby adopted:

FIRST: The name of the Corporation is Louisville Gas and Electric Company.

SECOND: The text of the amendment to Article Ninth of the Corporation's Articles of Incorporation is as follows:

"NINTH: All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Company managed under the direction of, its Board of Directors. The number of directors shall be fixed by resolution of the Board of Directors from time to time.

The Board of Directors of the Company, to the extent not prohibited by law, shall have the power to cause the Company to repurchase its own shares and shall have the power to make distributions from time to time to the corporation's shareholders."

THIRD: The above designated amendments do not provide for an exchange, reclassification or cancellation of issued shares of stock of the Corporation.

FOURTH: The designated amendments were adopted by the Corporation's Board of Directors on March 21, 2003, and submitted for approval by the Corporation's shareholders. The Corporation has 21,294,223 outstanding shares of common stock, without par value and 860,287 outstanding shares of Preferred Stock, par value \$25 per share, 5% Series, which are entitled to vote on the amendment. One hundred percent of the common shares and at least 99.9 percent of the voting

Preferred Stock were indisputably represented at a shareholders' meeting held December 16, 2003, duly called in accordance with the Kentucky Business Corporation Act, with 21,294,223 of the common shares and 65,098 Preferred Shares indisputably cast in favor of the amendment, such votes being sufficient for approval of the amendment.

DATED: February 6, 2004

Louisville Gas and Electric Company

BY: 

John R. McCall
Executive Vice President,
General Counsel and
Corporate Secretary

**ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
LOUISVILLE GAS AND ELECTRIC COMPANY**

Pursuant to the provisions of KRS 271B.10-030 and KRS 271B.10-060, the following Articles of Amendment to the Articles of Incorporation of Louisville Gas and Electric Company, a Kentucky corporation (the "Corporation"), are hereby adopted:

FIRST: The name of the Corporation is Louisville Gas and Electric Company.

SECOND: The text of the amendment to Article Ninth of the Corporation's Articles of Incorporation is as follows:

"NINTH: All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Company managed under the direction of, its Board of Directors. The number of directors shall be fixed by resolution of the Board of Directors from time to time.

The Board of Directors of the Company, to the extent not prohibited by law, shall have the power to cause the Company to repurchase its own shares and shall have the power to make distributions from time to time to the corporation's shareholders."

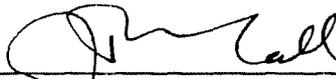
THIRD: The above designated amendments do not provide for an exchange, reclassification or cancellation of issued shares of stock of the Corporation.

FOURTH: The designated amendments were adopted by the Corporation's Board of Directors on March 21, 2003, and submitted for approval by the Corporation's shareholders. The Corporation has 21,294,223 outstanding shares of common stock, without par value and 860,287 outstanding shares of Preferred Stock, par value \$25 per share, 5% Series, which are entitled to vote on the amendment. One hundred percent of the common shares and at least 99.9 percent of the voting

Preferred Stock were indisputably represented at a shareholders' meeting held December 16, 2003, duly called in accordance with the Kentucky Business Corporation Act, with 21,294,223 of the common shares and 65,098 Preferred Shares indisputably cast in favor of the amendment, such votes being sufficient for approval of the amendment.

DATED: February 6, 2004

Louisville Gas and Electric Company

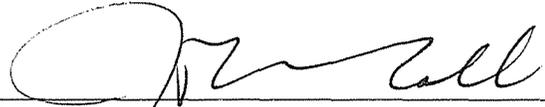
BY: 

John R. McCall
Executive Vice President,
General Counsel and
Corporate Secretary

SECRETARY'S CERTIFICATE

I, John R. McCall, do hereby certify that I am a duly qualified and acting Executive Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer of Louisville Gas and Electric Company, a Kentucky corporation, (the "Company"), and that as such officer, I have access to all original records of the Company and that I am authorized to make certified copies of Company records on its behalf. I further hereby certify that the attached By-laws are a true and correct copy of the By-laws of the Company, and that the same have not been altered, amended or repealed.

IN WITNESS WHEREOF, I have executed this Certificate this 27th day of May 2010.



John R. McCall
Executive Vice President, General Counsel,
Corporate Secretary and Chief Compliance Officer

BY-LAWS
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

By-Laws Adopted November 7, 1956
As Amended Through April 22, 1998
As Amended Through June 2, 1999
As Amended Through November 3, 2003
As Amended Through December 16, 2003

BY-LAWS
OF
LOUISVILLE GAS AND ELECTRIC COMPANY

By-Laws Adopted November 7, 1956
As Amended Through April 22, 1998
As Amended Through June 2, 1999
As Amended Through November 3, 2003
As Amended Through December 16, 2003

ARTICLE I
MEETINGS OF STOCKHOLDERS

Section 1. The Annual Meeting of the stockholders of the Company shall be held at a location in or out of Kentucky at a time and date to be fixed by the Board of Directors each year. Notice of the annual meeting shall be mailed to each stockholder entitled to notice at least ten (10) days before the Annual Meeting.

Section 2. Except as otherwise mandated by Kentucky law and except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, special meetings of stockholders may be called only by the President of the Company or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. For purposes of these By-Laws, the phrase "Company's Amended Articles of Incorporation" shall mean the Amended Articles of Incorporation of Louisville Gas and Electric Company as in effect on February 1, 1987, and as thereafter amended from time to time.

Section 3. A stockholder may vote in person or by proxy, filed with the Secretary of the Company before or immediately upon the convening of the meeting.

Section 4. Any action required or permitted to be taken by the stockholders of the Company at a meeting of such holders may be taken without such a meeting only if a consent in writing setting forth the action so taken shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof.

Section 5. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly be requested to be brought before the meeting by a stockholder. For business to be

properly requested to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company, not less than 90 days prior to the meeting; provided, however, that in the event that the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered to the Secretary of the Company not later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to stockholders. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Company's books, of the stockholder proposing such business, (c) the class and number of shares of the Company which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

ARTICLE II

BOARD OF DIRECTORS

Section 1. (a) The Board shall be composed of such number of Directors as shall be set by resolution of the Board. Regular meetings of the Board of Directors shall be held at such time and place as may be fixed by the Board of Directors. The number of Directors may be changed from time to time by resolution of the Board of Directors or by amendment to these By-laws, but no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. Unless a Director dies, resigns or is removed, he shall hold office until the next annual meeting of the shareholders or until a successor is elected, whichever is later.

(b) Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in Section 2 of Article IV of these By-Laws.

(c) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances: (i) newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors; (ii) any director elected in accordance with the preceding clause (i) shall hold office until the next annual meeting of the shareholders or until

such director's successor shall have been elected and qualified, whichever is later; and (iii) no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 80% of the combined voting power of the then outstanding shares of the Company's stock entitled to vote generally (as defined in Article Eighth of the Company's Amended Articles of Incorporation), voting together as a single class. Notwithstanding the foregoing provisions of this Paragraph (d), if at any time any stockholders of the Company have cumulative voting rights with respect to the election of directors and less than the entire Board of Directors is to be removed, no director may be removed from office if the votes cast against his removal would be sufficient to elect him as a director if then cumulatively voted at an election of the class of directors of which he is a part.

Section 2. Regular Meetings shall be held at such time and place as may be fixed by the Board of Directors.

Section 3. Special Meetings of the Board of Directors shall be held at the call of the Chairman or of the President, or, in their absence, of a Vice President, or at the request in writing of not less than three (3) members of the Board.

Section 4. Regular and Special Meetings may be held outside of the State of Kentucky.

Section 5. Notices of Regular and Special Meetings shall be sent to each director at least one (1) day prior to the meeting.

Section 6. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by law or by the Company's Amended Articles of Incorporation. Unless otherwise provided by law, at each meeting of the Board of Directors, the presence of one-third of the fixed number of directors shall constitute a quorum for the transaction of business. Except as provided in Section 1(c) of this Article II, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In case at any meeting of the Board of Directors a quorum shall not be present, the members of the Board of Directors present may by majority vote adjourn the meeting from time to time until a quorum shall attend.

Section 7. Directors may receive such fees or compensation for their services as may be authorized by resolution of the Board of Directors. In addition, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting.

Section 8. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more

other committees each of which, to the extent provided in such resolution, shall have and exercise all the authority of the Board of Directors, but no such committee shall have the authority to take action that under Kentucky law can only be taken by a board of directors.

Section 9. The Chairman of the Board, if such person is present, shall serve as Chairman at each regular or special meeting of the Board of Directors and shall determine the order of business at such meeting. If the Chairman of the Board is not present at a regular or special meeting of the Board of Directors, the Vice Chairman of the Board shall serve as Chairman of such meeting and shall determine the order of business of such meeting. The Board of Directors may elect one of its members as Vice Chairman of the Board.

ARTICLE III

OFFICERS

Section 1. The officers of the Company shall be a Chief Executive Officer, President, Chief Financial Officer, one or more Vice Presidents, Secretary, Treasurer, Controller and such other officers (including, if so directed by a resolution of the Board of Directors, Chairman of the Board) as the Board or the Chief Executive Officer may from time to time elect or appoint. Any two of the offices may be combined in one person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity. If practicable, officers are to be elected or appointed by the Board of Directors or the Chief Executive Officer at the first meeting of the Board following the annual meeting of stockholders and, unless otherwise specified, shall hold office for one year or until their successors are elected and qualified. Any vacancy shall be filled by the Board of Directors or the Chief Executive Officer. Except as provided below, officers shall perform those duties usually incident to the office or as otherwise required by the Board of Directors, the Chief Executive Officer, or the officer to whom they report. An officer may be removed with or without cause and at any time by the Board of Directors or by the Chief Executive Officer.

Chief Executive Officer

Section 2. The Chief Executive Officer of the Company shall have full charge of all of the affairs of the Company, shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, at meetings of the Board of Directors.

President

Section 3. The President shall exercise the functions of the Chief Executive Officer during the absence or disability of the Chief Executive Officer.

Chief Financial Officer

Section 4. The Chief Financial Officer of the Company shall have full charge of all of the financial affairs of the Company, including maintaining accurate books and records, meeting all reporting requirements and controlling Company funds.

Vice Presidents

Section 5. The Vice President or Vice Presidents may be designated as Vice President, Senior Vice President or Executive Vice President, as the Board of Directors or Chief Executive Officer may determine.

Secretary

Section 6. The Secretary shall be present at and record the proceedings of all meetings of the Board of Directors and of the stockholders, give notices of meetings of Directors and stockholders, have custody of the seal of the Company and affix it to any instrument requiring the same, and shall have the power to sign certificates for shares of stock of the Company.

Treasurer

Section 7. The Treasurer shall have charge of all receipts and disbursements of the Company and be custodian of the Company's funds.

Controller

Section 8. The Controller shall have charge of the accounting records of the Company.

Chairman of the Board

Section 9. In the event the Board of Directors elects a Chairman of the Board and designates by resolution that the Chairman of the Board shall be an officer of the corporation, the Chairman of the Board shall preside at all meetings of the Board of Directors and serve the corporation in an advisory capacity.

ARTICLE IV

CAPITAL STOCK CERTIFICATES AND DIRECTOR NOMINATIONS

Section 1. The Board of Directors shall approve all stock certificates as to form. The certificates for the various classes of stock, issued by the Company, shall be printed or engraved with the facsimile signatures of the President and Secretary and a facsimile seal of the Company. The Board of Directors shall appoint transfer agents to issue and transfer certificates of stock, and registrars to register said certificates.

Section 2. Except as otherwise provided in or fixed by or pursuant to the provisions of Article Fourth of the Company's Amended Articles of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Company's Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally.

However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director or directors at a stockholders' meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not later than 90 days in advance of such meeting; provided, however, that in the event the date of the meeting is not publicly announced by the Company by mail, press release or otherwise more than 100 days prior to the meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the tenth day following the date on which notice of such meeting was first communicated to stockholders. Each such notice shall set forth (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Company if so elected. The Chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

ARTICLE V

LOST STOCK CERTIFICATES

The Board of Directors may, in its discretion, direct that a new certificate or certificates of stock be issued in place of any certificate or certificates of stock theretofore issued by the Company, alleged to have been stolen, lost or destroyed, and the Board of Directors when authorizing the issuance of such new certificate or certificates may, in its discretion, and as a condition precedent thereto, require the owner of such stolen, lost or destroyed certificate or certificates or the legal representatives of such owner, to give to the Company, its transfer agent or agents, its registrar or registrars, as may be authorized or required to sign and countersign such new certificate or certificates, a corporate surety bond in such sum as it may direct as indemnity against any claim or claims that may be made against the Company, its transfer agent or agents, its registrar or registrars, for or in respect to the shares of stock represented by the certificate or certificates alleged to have been stolen, lost or destroyed.

ARTICLE VI.

DIVIDENDS ON PREFERRED STOCK

Dividends upon the 5% Cumulative Preferred Stock, \$25 Par value, if declared, shall be payable on January 15, April 15, July 15 and October 15 of each year. If the date herein

designated for the payment of any dividend shall, in any year, fall upon a legal holiday, then the dividend payable on such date shall be paid on the next day not a legal holiday.

Dividends in respect of each share of \$8.90 Cumulative Preferred Stock (without par value) of the Company shall be payable on October 16, 1978, when and as declared by the Board of Directors of the Company, to holders of record on September 29, 1978, and shall accrue from the date of original issuance of said series. Thereafter, such dividends shall be payable on January 15, April 15, July 15, and October 15 in each year (or the next business day thereafter in each case), when and as declared by the Board of Directors of the Company, for the quarter-yearly period ending on the last business day of the preceding month.

Dividends in respect of each share of Preferred Stock, Auction Series A (without par value), of the Company shall be payable when and as declared by the Board of Directors of the Company, on the dates and in the manner set forth in the Amendment to the Articles of Incorporation of the Company setting forth the terms of such series.

Dividends in respect of each share of \$5.875 Cumulative Preferred Stock, of the Company shall be payable when and as declared by the Board of Directors of the Company, on the dates and in the manner set forth in the Amendment to the Articles of Incorporation of the Company setting forth the terms of such series.

ARTICLE VII

FINANCE

Section 1. The Board of Directors shall designate the bank or banks to be used as depositories of the funds of the Company and shall designate the officers and employees of the Company who may sign and countersign checks drawn against the various accounts of the Company. The Board of Directors may authorize the use of facsimile signatures on checks drawn against certain bank accounts of the Company.

Section 2. Notes shall be signed by the President and either a Vice President or the Treasurer. In the absence of the President, notes shall be signed by two Vice Presidents, or a Vice President and the Treasurer.

ARTICLE VIII

SEAL

The seal of this Company shall be in the form of a circular disk, bearing the following information:

(Louisville Gas and Electric Company)
(Incorporated Under the Laws of)
(Kentucky)
(Seal)
(1913)

ARTICLE IX

AMENDMENTS

Subject to the provisions of the Company's Amended Articles of Incorporation, these By-Laws may be amended or repealed at any regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose) by the holders of at least a majority of the voting power of the shares represented and entitled to vote thereon at such meeting at which a quorum is present; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Kentucky, the Company's Amended Articles of Incorporation and these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or adopt such other By-Laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Company.

ARTICLE X

INDEMNIFICATION

Section 1. Right to Indemnification. Each person who was or is a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Director"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Kentucky Business Corporation Act, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Director in connection therewith and such indemnification shall continue as to an Indemnified Director who has ceased to be a director or officer and shall inure to the benefit of the Indemnified Director's heirs, executors and administrators. Each person who was or is an officer of the Company and not a director of the Company and who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any proceeding, by reason of the fact that he or she is or was an officer of the Company or is or was serving at the request of the Company as a director, officer, partner, trustee, employee or agent of another corporation or of a

partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnified Officer"), whether the basis of such proceeding is alleged action in an official capacity as an officer or in any other capacity while serving as an officer, shall be indemnified and held harmless by the Company against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnified Officer to the same extent and under the same conditions that the Company must indemnify an Indemnified Director pursuant to the immediately preceding sentence and to such further extent as is not contrary to public policy and such indemnification shall continue as to an Indemnified Officer who has ceased to be an officer and shall inure to the benefit of the Indemnified Officer's heirs, executors and administrators. Notwithstanding the foregoing and except as provided in Section 2 of this Article X with respect to proceedings to enforce rights to indemnification, the Company shall indemnify any Indemnified Director or Indemnified Officer in connection with a proceeding (or part thereof) initiated by such Indemnified Director or Indemnified Officer only if such proceeding (or part thereof) was authorized by the Board of Directors of the Company. As hereinafter used in this Article X, the term "indemnitee" means any Indemnified Director or Indemnified Officer. Any person who is or was a director or officer of a subsidiary of the Company shall be deemed to be serving in such capacity at the request of the Company for purposes of this Article X. The right to indemnification conferred in this Article shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Kentucky Business Corporation Act requires, an advancement of expenses incurred by an indemnitee who at the time of receiving such advance is a director of the Company shall be made only upon: (i) delivery to the Company of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter, a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article or otherwise; (ii) delivery to the Company of a written affirmation of the indemnitee's good faith belief that he has met the standard of conduct that makes indemnification by the Company permissible under the Kentucky Business Corporation Act; and (iii) a determination that the facts then known to those making the determination would not preclude indemnification under the Kentucky Business Corporation Act. The right to indemnification and advancement of expenses incurred in this Section 1 shall be a contract right.

Section 2. Right of Indemnitee to Bring Suit. If a claim under Section 1 of this Article X is not paid in full by the Company within sixty days after a written claim has been received by the Company (except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days), the indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part to any such suit or in a suit brought by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee also shall be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (other than a suit to enforce a right to an advancement of expenses brought by an indemnitee who will not be a director of the Company at the time such advance is made) it shall be a defense that, and in (ii) any suit by the Company to

recover an advancement of expenses pursuant to the terms of an undertaking the Company shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met the standard of conduct that makes it permissible hereunder or under the Kentucky Business Corporation Act (the “applicable standard of conduct”) for the Company to indemnify the indemnitee for the amount claimed. Neither the failure of the Company (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of Directors, independent legal counsel or its stockholders) that the indemnitee has not met the applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Company to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article X or otherwise shall be on the Company.

Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article X shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Company’s Articles of Incorporation, these By-Laws, any agreement, any vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kentucky Business Corporation Act.

Section 5. Indemnification of Employees and Agents. The Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Company and to any person serving at the request of the Company as an agent or employee of another corporation or of a partnership, joint venture, trust or other enterprise to the fullest extent of the provisions of this Article X with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Section 6. Repeal or Modification. Any repeal or modification of any provision of this Article X shall not adversely affect any rights to indemnification and to advancement of expenses that any person may have at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 7. Severability. In case any one or more of the provisions of this Article X, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Article X, and any other application thereof, shall not in any way be affected or impaired thereby.

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