

**FRANCHISE AGREEMENT**

**THIS FRANCHISE AGREEMENT** made and entered into this 12 day of November, 2013, by and between the **CITY OF LAWRENCEBURG**, a municipal corporation and political subdivision of the Commonwealth of Kentucky (hereinafter "Lawrenceburg"), and **KENTUCKY UTILITIES COMPANY, INC.**, a corporation created and existing under and by virtue of the laws of the Commonwealth of Kentucky, with its principal office at One Quality Street, Lexington, Kentucky 40507 (hereinafter "Kentucky Utilities").

**WITNESSETH:**

**WHEREAS**, by Ordinance No. 2013-007 adopted September 9, 2013, Lawrenceburg provided for the creation and sale of a non-exclusive franchise, for a term of ten (10) years, to acquire, lay, maintain, operate, enter upon, construct, install, use and repair, in the public right-of-way of Lawrenceburg, a system or works for the generation, transmission and distribution of electrical energy from points either within or without the corporate limits of Lawrenceburg, to Lawrenceburg and the inhabitants thereof, and from and through Lawrenceburg to persons, corporations and municipalities beyond the limits thereof, and for the sale of same for light, heat, power and other purposes; and

**WHEREAS**, Ordinance No. 2013-007 authorized the advertising for bids on said franchise, and Kentucky Utilities submitted a timely bid to acquire said franchise; and

**WHEREAS**, by Ordinance No. 2013-008 adopted November 11, 2013, Lawrenceburg accepted the bid of Kentucky Utilities to acquire said franchise; and



**WHEREAS**, Lawrenceburg and Kentucky Utilities have entered into this Franchise Agreement to memorialize the sale by Lawrenceburg to Kentucky Utilities of said franchise subject to the terms and conditions reflected in Ordinance Nos. 2013-007 and 2013-008 (collectively, the "Ordinances").

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements contained herein the receipt and sufficiency of which are hereby acknowledged, Lawrenceburg and Kentucky Utilities hereby agree to incorporate the foregoing recitals as if fully set forth herein and further agree as follows:

1. Ordinance No. 2013-007, which is attached hereto as Exhibit "A", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

2. The bid of Kentucky Utilities for said franchise, which is attached hereto as Exhibit "B", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

3. Ordinance No. 2013-008, which is attached hereto as Exhibit "C", is incorporated herein by reference in its entirety and shall apply as if fully set forth herein.

3. Lawrenceburg has granted unto Kentucky Utilities a non-exclusive franchise, for a term of ten (10) years, to enter upon, lay, acquire, construct, operate, maintain, install, use and repair, in the public right-of-way of Lawrenceburg, a system or works for the generation, transmission and distribution of electrical energy within the corporate boundaries of Lawrenceburg subject to the provisions of the Ordinances.

4. The franchise memorialized in this Franchise Agreement shall commence on January 1, 2014, and shall expire as provided in the terms and provisions of Ordinance No. 2013-007.



5. As compensation for said franchise, Kentucky Utilities agrees to pay to Lawrenceburg a sum equal to three percent (3%) of the gross receipts per year from Kentucky Utilities' sale of electricity to all electric-consuming entities inside Lawrenceburg's corporate limits as provided in Ordinance No. 2013-007.

6. Kentucky Utilities does hereby bind itself, its successors and assigns, to faithfully and fully perform each and every condition of said franchise as memorialized in this Agreement, and further to faithfully perform all acts required of it as the purchaser of said franchise.

7. This Franchise Agreement memorializes the agreement between the parties contained and embodied in the Ordinances and shall be binding upon and inure to the benefit of the respective successors in interest to the parties hereto.

**IN WITNESS WHEREOF**, Lawrenceburg and Kentucky Utilities have executed this Franchise Agreement as their free and voluntary act and deed effective as of the day and year first above written.

[Signatures on following page]



CITY OF LAWRENCEBURG

BY: *Edwina Baker*  
EDWINA BAKER, MAYOR

ATTEST:

*Robbie Hume*  
ROBBIE HUME,  
CITY CLERK

KENTUCKY UTILITIES COMPANY, INC.

BY: *John Malloy*  
JOHN MALLOY, VICE PRESIDENT  
CUSTOMER SERVICES

STATE OF KENTUCKY )

COUNTY OF *Jayette* )

The foregoing Franchise Agreement was subscribed, sworn to and acknowledged before me by John Malloy, as Vice President of Customer Services, Kentucky Utilities Company, Inc., on this the 1<sup>st</sup> day of November, 2013.

My commission expires: March 17, 2015

*Kimberly DeGentry* 438599  
NOTARY PUBLIC  
KENTUCKY, STATE-AT-LARGE



Exhibit List

- A Ordinance No. 2013-007
- B Bid
- C Ordinance No. 2013-008

