

purposes other than for the exclusive benefit of the employee participants or their beneficiaries as provided in the Retirement Savings Plan.

(d) The Company and the Union shall enter into the attached side letter (“Retirement Plan Agreement”) which references certain enhancements to the Retirement Savings Plan related to the mandatory and voluntary opportunities to convert to the “New Duke Retirement Program”.

ARTICLE VI

Section 1. (a) With the exception of shift differential premium, and a holiday occurring during an employee’s vacation or second off day, it is agreed that under no circumstances shall any Section of this Agreement be interpreted to provide the pyramiding of a benefit or premium payment to employees covered by this Agreement. For example, no employee may claim sick pay while receiving vacation pay or holiday pay while receiving sick pay.

(b) It is further agreed that there shall be no interruption in the payment of one benefit in order that the employee may receive payment for another benefit. For example, no employee may interrupt vacation to begin sick leave or interrupt sick leave to include a holiday. The only exceptions to this provision are that an employee’s sick pay may be interrupted to include vacation pay and that vacation pay may be interrupted to include death in family pay as set forth in the Agreement. In the event that any vacation days are unused as a result of a death in the family situation, the use of these unused vacation days must be approved in advance by supervision and shall not apply to the administration of vacation in one-day increments as provided under Article IV, Section 1(e) of the Agreement.

Section 2. This Agreement shall remain binding upon successors, assigns or transferees of the Company in the event of a merger, acquisition, divestiture, asset swap or sale, or other similar transaction announced or begun during the Agreement. The Company will require the Buyer, or any transferee, to recognize the Union as the collective-bargaining agent for bargaining-unit employees the Buyer employs and assume provisions identical to provisions of the Agreement applicable to those bargaining-unit employees.

The Union will support and it will not oppose, or in any way support or encourage opposition to the Company’s position regarding any mergers, acquisitions, divestitures or similar transactions or any regulatory matters (including rate cases or stranded cost determinations) or environmental matters announced or begun during the term of the Agreement.

IN WITNESS WHEREOF, Local Union 1347 of the International Brotherhood of Electrical Workers and Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. ("Company"), do hereby, by their duly authorized agents, in the premises, execute and sign this 2009 – 2014 Agreement between Duke Energy Ohio, Inc., and Duke Energy Kentucky, Inc. and Local Union 1347, in duplicate, this 17th day of July, 2009.

FOR THE UNION



Local Union No. 1347 of the
International Brotherhood
Of Electrical Workers

[Redacted signature]

Stephen H. Feldhaus
Business Agent

[Redacted signature]

Kenneth M. Gross
President

FOR THE COMPANY

Duke Energy Ohio, Inc.
Duke Energy Kentucky, Inc.

[Redacted signature]

Julie S. Janson
President, Duke Energy Ohio, Inc. &
President, Duke Energy Kentucky, Inc.

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