**DATE:** October 2, 2020

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| Boone County School District Finance Corporation, a Kentucky corporation8330 US Hwy 42Florence, KY 41042 |

**Re: Letter Agreement Between** **Duke Energy Kentucky, Inc., a Kentucky corporation and** **Boone County School District Finance Corporation, a Kentucky corporation**

**(PROJECT TRACT NO.1134.00)**

Dear Sir:

Reference is herein made to the certain Easement agreements dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,2020 (“**Easements**”) by **Boone County School District Finance Corporation, a Kentucky corporation** (“**Grantor**”) to Duke Energy Kentucky, Inc., a Kentucky corporation, its successors and assigns (“**Duke Energy**”) granting a permanent easement (“**Permanent Easement**”) and a temporary construction easement (“**TCE**”) to Duke Energy for the for the purpose of laying, constructing, maintaining, operating, inspecting, repairing, altering, replacing, removing, and protecting an underground pipeline for the transportation of natural gas under Grantor’s real property situated in Boone County, Kentucky, as described in the instrument recorded in Book 764, Page 270 of the Boone County Registry (“**Land**”). Each of Grantor and Duke Energy is referred to herein as a “Party,” and together the “Parties.” Capitalized terms used herein, but not otherwise defined herein, shall have the meaning(s) ascribed to them in the Easement.

 The purpose of this letter agreement (“**Letter Agreement**”) is to confirm the Parties’ agreements with respect to the Permanent Easement area (“**Permanent Easement Area**”) and the TCE area (“**TCE Area**”) (collectively, the “**Easement Areas**”), as defined in the above-referenced Easements, as more particularly described below. The consideration for this agreement are the mutual promises and covenants stated herein.

SECTION I. ACTIVITIES & CONDITIONS.

1. Duke Energy will pay compensation in the amount calculated on the Total Compensation Agreement presented separately.
2. Construction activities related to installation of the pipeline will be limited to Spring/Summer of 2021 when school is not in session. Given the nature of restoration activities such as restoring grass coverage and landscaping, these activities may overlap with school being in session.
3. If during construction any site improvements such as lighting, fencing, paving, and signage, are damaged Duke Energy will either repair said damage or compensate Grantor for said repair.
4. Duke Energy will restore the premises to as good or better than preconstruction conditions.

SECTION II. MISCELLANEOUS.

1. Governing Law; Venue. This Letter Agreement will be governed by and interpreted in accordance with the laws of the State of Kentucky, without giving effect to any choice-of-law rules that may require the application of the laws of another jurisdiction. The Parties agree that the exclusive jurisdiction (personal and, as allowed, subject matter) and venue for any action relating to this Letter Agreement shall be Boone County, Kentucky, and the Parties hereby consent to such jurisdiction and venue.
2. Term and Termination. This Letter Agreement will be in effect from the date first written above and will continue in full force and effect until the mutual written agreement of the Parties to terminate this Letter Agreement.
3. Severability. If any term or provision hereof should be held to be invalid, unenforceable, or illegal, such holding will not invalidate or render unenforceable any other provision hereof, and the remaining provisions will not be impaired thereby.
4. Amendment, Modification and Waiver. No amendment, modification or addendum to this Letter Agreement will be effective unless reduced to a writing signed by duly authorized officers of both Parties.
5. Third-Party Beneficiaries. This Letter Agreement is entered into solely between, and may be enforced only by, Duke Energy and Grantor and their lawful and documented successors (including rightful successors in title to the Land); and this Letter Agreement will not be deemed to create any rights whatsoever in any third parties, or to create any obligations of a Party to any such third parties.
6. Public Disclosures. Neither Party hereto will make any public disclosures, announcements, statements, or communications concerning the Easement, this transaction or the contents of this Letter Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, nothing herein will preclude either Party from making any disclosures required by law or necessary and proper in conjunction with the filing of any tax return or other document required to be filed with any governmental body, authority, or agency. The Parties expressly agree that this Letter Agreement shall not be recorded as part of any public records.
7. Limitation on Liability. With respect to any matters contemplated by this Letter Agreement, except for damages caused by gross negligence, fraud or willful misconduct, in no event will either Party, or their directors, officers, employees, attorneys, agents, assigns or successors be liable to the other Party for any liabilities, claims, damages, suits or actions in excess of the monetary consideration paid to Grantor in securing the Easement.
8. Covenant of Good Faith. Each Party agrees that, in its respective dealings with the other Party under or in connection with this Letter Agreement, it will at all times act in good faith.
9. Drafting Ambiguities. Each Party to this Letter Agreement has had an opportunity to consult with counsel concerning this Letter Agreement. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party will not be employed in the interpretation of this Letter Agreement.
10. Counterparts. This Letter Agreement may be executed in one or more counterparts, each of which will constitute an original, but all of which together constitute a single document.
11. Non-Waiver. The failure of either Party to exercise any of its rights under this Letter Agreement for breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.
12. Entire Agreement. This Letter Agreement, together with the Easement, constitutes the entire agreement between the Parties hereto concerning the matters covered herein relating to the Easement and, together with the Easement, supersedes all prior agreements and/or understandings between the Parties, whether written or oral, concerning the matters addressed herein. Each of the Parties acknowledges that no other party, nor any agent or attorney of another party, has made any promise, representation, or warranty whatsoever, express or implied, and not contained herein or in the Easement, concerning the subject matter hereof to induce the Party to execute or authorize the execution of this Letter Agreement, and acknowledges that the party has not executed or authorized the execution of this Letter Agreement, in reliance upon any such promise, representation or warranty not contained herein.

By its signature below, each Party hereby duly confirms its express and binding agreement to the terms of this Letter Agreement as of the date first written above. The Parties agree that electronic signatures shall be as effective as if originals, and that this Letter Agreement may be signed in counterparts, the sum of which constitutes the Letter Agreement.

Sincerely,

 **DUKE ENERGY KENTUCKY, INC.**

 By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Grantor hereby expressly agrees to and accepts the terms of this Letter Agreement.

**Boone County School District Finance Corporation**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_