

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is entered into this ___ day of _____, 2017, and effective upon the date of the execution of the last signature hereto, by Duke Energy Kentucky, Inc., a Kentucky corporation with its principal place of business at 139 East Fourth Street, Cincinnati, Ohio (Company”) and the City of Dry Ridge, Kentucky, a Kentucky municipal corporation with its principal place of business at 31 Broadway, Dry Ridge, Kentucky (“City”).

WHEREAS, the City previously enacted an Ordinance imposing an occupational license tax upon workers engaged in work activities within the City’s political boundaries (the “Ordinance”); and

WHEREAS, a dispute has arisen as to whether the Company has properly remitted all occupational license taxes due to the City in accordance with the Ordinance; and

WHEREAS, the City and Company both agree that said dispute should be resolved quickly and without resort to formal legal process to either enforce, or challenge the legality of, the Ordinance; and

WHEREAS, the City and Company desire to memorialize the terms of their agreement to resolve said dispute and release the Company from any other claims arising from or relating to the Ordinance;

NOW THEREFORE, in light of the covenants, considerations and promises set forth herein, the City and the Company do hereby agree as follows:

1. Payment by Company. The Company shall pay to the City the amount of \$1,602.41, within ten (10) days of the effective date of this Agreement.

2. Registration with the City. The Company will register with the City and will henceforth withhold the required occupational license tax due to the City under the Ordinance from the wages and salaries of its employees who are actually engaged in work activities within the City's political boundaries. The Company will further remit said withholdings to the City as required by the Ordinance.
3. Independent Contractors. The Parties acknowledge that the Company has several independent contractors who may, from time to time, engage in work on behalf of the Company within the political boundaries of the City. The Company will remind its independent contractors who are engaged in work within the political boundaries of the City that they should register with the City and pay any applicable occupational license taxes imposed by the Ordinance, however, the City acknowledges that the Company has no past, present or future liability arising from or relating to its independent contractors' compliance with the Ordinance. For avoidance of doubt, the failure of an independent contractor to comply with the City's Ordinance is a matter that is solely between the City and the independent contractor.
4. Release. The City hereby releases the Company, its affiliates, its parents and its subsidiaries, as well as all the directors, officers, employees, agents, insurers, attorneys and representatives of each of said entities, from any liabilities, claims, causes of action, demands, obligations or any other right or interest, whether arising in law or in equity, in any way arising from or relating to the Ordinance, which has been asserted or could have been asserted, by the City or anyone acting on its behalf, as of the effective date of this Agreement.

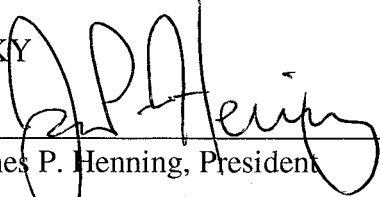
5. No Admission of Liability by Company. The Company's payment of the sum set forth in Paragraph 1 shall not be considered or deemed to be an admission that such amount is due, or could have been due, under the Ordinance or that it was liable for said sum. To the contrary, the Company expressly denies that it owes or owed any sum to the City under the Ordinance. The payment set forth in Paragraph 1 is a payment in compromise of a disputed claim.
6. Consistency with Public Interest. The Parties agree that the Agreement represents a fair, just, and reasonable resolution of the issues addressed herein and is consistent with the public interest and will save the Parties from engaging in what would likely be lengthy and expensive litigation.
7. Binding Effect. The Parties agree that this Agreement shall inure to the benefit of, and be binding upon, the Parties, their successors and assigns.
8. Merger. The Parties agree that this Agreement constitutes the complete agreement and understanding among them, and any and all oral statements, representations, or agreements made prior hereto or contemporaneously herewith, shall be null and void, and shall be deemed to have been merged into this Agreement.
9. Independent Review. The Parties agree that the terms of this Agreement are based upon the independent analysis of the Parties to reflect a fair, just, and reasonable resolution of the issues herein and are the product of compromise and negotiation. The Parties agree that this Agreement is a product of negotiation among both Parties, and that no provision of this Agreement shall be strictly construed in favor of, or against, any Party.

10. Admissibility. The Parties agree that neither the Agreement nor any of its terms shall be admissible in any court or administrative agency except insofar as such court or administrative agency is addressing litigation arising out of the implementation of the terms herein. This Agreement shall not have any precedential value in this or any other jurisdiction.

11. Ratification by Council. This Agreement shall be adopted and ratified by the City Council of Dry Ridge who shall authorize the City's Mayor to execute same.

12. Representation of Authority. The signatories hereto represent and warrant that they are authorized to execute this Agreement on behalf of the Party they represent.

IN WITNESS WHEREOF, the Parties have hereunto affixed their signatures.

DUKE ENERGY KENTUCKY, INC.
KENTUCKY
BY: 
James P. Henning, President
DATE: 6/15/2017

CITY OF DRY RIDGE,
BY: _____
James Wells, Mayor
DATE: _____