
**AUDRAIN COUNTY, MISSOURI,
The County,**

AND

**COMMERCE BANK, N.A.
As Trustee**

TRUST INDENTURE

Dated as of April 15, 2000

Relating to:

**\$270,000,000
(Aggregate Maximum Principal Amount)
Audrain County, Missouri
Taxable Industrial Revenue Bonds
(Duke Energy Audrain, LLC)
Series 2000**

TRUST INDENTURE

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TRUST INDENTURE

THIS TRUST INDENTURE dated as of April 15, 2000, between **AUDRAIN COUNTY, MISSOURI**, a third class county organized and existing under the laws of the State of Missouri (the "County"), and **COMMERCE BANK, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, with its principal corporate trust office located in Kansas City, Missouri, as Trustee (the "Trustee");

WITNESSETH:

WHEREAS, the County is authorized under Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended and Article VI Section 27(b) of the Missouri Constitution (the "Act"), to issue revenue bonds to provide funds for the carrying out of a project under the Act and to sell, lease or mortgage to private persons, partnerships or corporations the facilities purchased, constructed or extended by the County for manufacturing, commercial, warehousing and industrial development purposes pursuant to the Act; and

WHEREAS, pursuant to the Act, the governing body of the County adopted a Resolution on April 6, 2000, expressing the intent of the County to issue its industrial development revenue bonds in a principal amount not to exceed \$270,000,000, for the purpose of purchasing, constructing, extending and improving a project, described on Exhibit B hereto (the "Project") including land, buildings, structures, improvements, fixtures, machinery and equipment as hereinafter more fully described, and authorizing the County to lease the Project to Duke Energy Audrain, LLC, a Delaware limited liability company (the "Company");

WHEREAS, the County is authorized to execute and deliver this Trust Indenture (the "Indenture") for the purpose of issuing and securing the Bonds (as hereinafter defined), and to enter into the Lease Agreement of even date herewith (the "Lease"), with the Company under which the County as Lessor, will purchase, construct, extend and improve the Project and will lease the Project to the Company, as Lessee, in consideration of rentals which will be sufficient to pay the principal of and interest on the Bonds;

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid and legally binding obligations of the County, and to constitute this Indenture a valid and legally binding pledge and assignment of the Trust Estate herein made for the security of the payment of the principal of and interest on the Bonds, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the County, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on all of the Bonds issued and outstanding under this Indenture from time to time

according to their tenor and effect, and to secure the performance and observance by the County of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign to the Trustee and its successors and assigns forever, the property described in paragraphs (a), (b) and (c) below (said property being herein referred to as the "Trust Estate"), to-wit:

(a) All right, title and interest in and to the Project together with the tenements, hereditaments, appurtenances, rights, privileges and immunities thereunto belonging or appertaining;

(b) All right, title and interest of the County in, to and under the Lease (excluding the County's right to receive moneys for its own account and the County's rights to indemnification or to be protected from liabilities by insurance policies required by the Lease, as provided therein or herein), and all rents, revenues and receipts derived by the County from the Project including, without limitation, all rentals and other amounts to be received by the County and paid by the Company under and pursuant to and subject to the provisions of the Lease;

(c) All moneys and securities from time to time held by the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the County or by anyone in its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned or agreed or intended so to be, to the Trustee and its successors and assigns forever.

IN TRUST NEVERTHELESS, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of all Owners from time to time of the Bonds outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds except as expressly provided in or permitted by this Indenture;

PROVIDED, HOWEVER, that if the County shall well and truly pay, or cause to be paid, the principal of and interest on the Bonds, at the time and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in Article XIII hereof), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights thereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the County does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Bonds or coupons, as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms: In addition to words and terms defined in Section 1.1 of the Lease, which definitions shall be deemed to be incorporated herein, and terms defined elsewhere in this Indenture, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

"Act" means Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended and Article VI Section 27(b) of the Missouri Constitution, as amended.

"Additional Bonds" means any Bonds issued pursuant to Section 209 of this Indenture.

"Authorized County Representative" means the Presiding Commissioner, County Clerk or such other person at the time designated to act on behalf of the County as evidenced by written certificate furnished to the Company and the Trustee containing the specimen signature of such person and signed on behalf of the County by its Presiding Commissioner. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the Authorized County Representative.

"Authorized Company Representative" means the person at the time designated to act on behalf of the Company as evidenced by written certificate furnished to the County and the Trustee containing the specimen signature of such person and signed on behalf of the Company by authorized members or managers. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the Authorized Company Representative.

"Bond" or "Bonds" means the Taxable Industrial Revenue Bonds (Duke Energy Audrain, LLC) Series 2000 in the maximum principal amount of \$270,000,000, issued pursuant to Section 208 of this Indenture and Additional Bonds, authenticated and delivered under and pursuant to this Indenture.

"Bond Fund" means "Audrain County, Missouri, Taxable Industrial Revenue Bond Fund -- Duke Energy Audrain, LLC" created in Section 601 of this Indenture.

"Bondowner" means the registered owner of any Bond.

"Bond Purchase Agreement" means the agreement by that name with respect to the Bonds by and between the County and the purchaser identified therein.

"Company" means Duke Energy Audrain, LLC, a Delaware limited liability company, and its successors or assigns.

"Completion Date" means the date of execution of the certificate required pursuant to Section 504 hereof.

"Construction Fund" means "Audrain County, Missouri, Construction Fund -- Duke Energy Audrain, LLC" created in Section 501 of this Indenture.

"County" means Audrain County, Missouri, a third class county organized and existing under the laws of the State of Missouri, and its successors and assigns.

"Cumulative Outstanding Principal Amount" means the aggregate principal amount of all Bonds issued in accordance with the provisions of this Indenture, as reflected in the records maintained by the Trustee as provided in the Bond and this Indenture.

"Deed of Trust" means the Deed of Trust and Security Agreement granted by the County to secure payment of the Bonds.

"Event of Default" means, with respect to this Indenture, any Event of Default as defined in Section 901 hereof and, with respect to the Lease, means any Event of Default as described in Section 12.1 of the Lease.

"Financing Document" means any loan agreement, credit agreement, security agreement, mortgage, participation agreement, lease agreement, sublease, hedging agreement or other document executed by or on behalf of a Financing Party.

"Financing Party" means any Person providing debt, lease or equity financing (including equity contributions or commitments) or hedging arrangements, or any renewal, extension or refinancing of any such financing or hedging arrangements, or any guarantee, insurance, letters of credit or credit support for or in connection with such financing or hedging arrangements, in connection with the development, construction, ownership, lease, operation or maintenance of the Project or interests or rights in the Lease, or any part thereof, including any trustee or agent acting on any such Person's behalf.

"Government Securities" means direct obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Grant Agreement" means the Grant Agreement dated April 15, 2000 by and among the County, the Company and various political subdivisions in Audrain County, Missouri.

"Indenture" means this Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of Article XI hereof.

"Investment Securities" means any of the following securities:

(a) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any of the federal agencies set forth in clause (b) below to the extent they are unconditionally guaranteed by the United States of America;

(b) obligations of the Fannie Mae, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

(c) direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under this Indenture such obligations are rated in either of the two highest rating categories by a nationally-recognized bond rating agency;

(d) certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national

banking association (including the Trustee), provided that such certificates of deposit shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (c), inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit and shall be deposited with the Trustee or a custodian bank, trust company or national banking association. The bank, trust company or national banking association holding each such certificate of deposit required to be so secured shall furnish the Trustee written evidence satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount at least equal to the principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking.

(e) Shares of a fund registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, having assets of at least \$100,000,000, and which shares, at the time of purchase, are rated by Standard & Poor's and Moody's in one of the two highest rating categories (without regard to any refinements or gradation of rating category by numerical modifier or otherwise) assigned by such rating agencies for obligations of that nature.

(f) Any other investment approved in writing by the Owners of all of the Outstanding Bonds.

"Lease" means the Lease Agreement dated as of the date of this Indenture between the County, as Lessor, and the Company, as Lessee, as from time to time amended and supplemented by Supplemental Leases in accordance with the provisions thereof and of Article XII of this Indenture.

"Outstanding," when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered, except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of Section 1302 hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Owner" shall have the same meaning as Bondowner.

"Paying Agent" means the Trustee and any other bank or trust company designated by this Indenture as paying agent for the Bonds at which the principal of or interest on the Bonds shall be payable.

"Person" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, bank, insurance company, unincorporated association, joint venture or other entity of whatever nature.

"Project" means the project referred to in the recitals of this Indenture, including the Project Site, the Project Improvements and the Project Equipment, and all additions, modifications, improvements, replacements and substitutions made to the Project pursuant to the Lease as they may at any time exist.

"Project Costs" means all costs of purchase, construction, extending and improving of the Project, including the following:

(a) all costs and expenses necessary or incident to the acquisition of the Project Site and any Project Improvements and Project Equipment located thereon at the execution of the Lease and which the Company conveys to the County;

(b) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the purchase, construction, extending and improving of the Project or the issuance of the Bonds;

(c) all costs and expenses of every nature incurred in purchasing and constructing the Project Improvements and otherwise improving the Project Site and purchasing and installing the Project Equipment, including the actual cost of labor, materials, machinery, furnishings and equipment as payable to contractors, builders and materialmen in connection with the purchase, construction, extending and improving of the Project;

(d) interest accruing on the Bonds during the construction period of the Project;

(e) the cost of title insurance policies and the cost of any other insurance maintained during the Construction Period in accordance with Article VII of the Lease;

(f) reasonable expenses of administration, supervision and inspection properly chargeable to the Project, underwriting expenses, legal fees and expenses, fees and expenses of accountants and other consultants, publication and printing expenses, and initial fees and expenses of the Trustee to the extent that said fees and expenses are necessary or incident to the issuance and sale of the Bonds or the purchasing, construction, extending and improving of the Project;

(g) all other items of expense not elsewhere specified in this definition as may be necessary or incident to: (1) the authorization, issuance and sale of the Bonds; (2) the purchase, construction, extending and improving of the Project; and (3) the financing thereof; and

(h) reimbursement to the Company or those acting for it for any of the above enumerated costs and expenses incurred and paid by them before or after the execution of the Lease.

"Project Equipment" means all items of machinery, equipment or other personal property acquired or installed or acquired for installation in the Project Improvements or elsewhere on the Project Site pursuant to Article IV of the Lease and paid for in whole or in part from the proceeds of Bonds, as described in Exhibit C attached hereto and by this reference made a part hereof, and all replacements thereof and substitutions therefor made pursuant to the Lease.

"Project Improvements" means all buildings, structures, improvements and fixtures located on or to be purchased, constructed and otherwise improved on the Project Site pursuant to Article IV of the Lease and paid for in whole or in part from the proceeds of Bonds, as described in Exhibit B attached hereto and by this reference made a part hereof, and all additions, alterations, modifications and improvements thereof made pursuant to the Lease.

"Project Site" means all of the real estate described in Exhibit A attached hereto and by this reference made a part hereof, as the same may be further refined by the substitution of definitive legal descriptions upon completion by the Company of surveys of the Project Site.

"Supplemental Indenture" means any indenture supplemental or amendatory to this Indenture entered into by the County and the Trustee pursuant to Article XI hereof.

"Supplemental Lease" means any supplement or amendment to the Lease entered into pursuant to Article XII hereof.

"Trust Estate" means the Trust Estate described in the Granting Clauses of this Indenture.

"Trustee" means Commerce Bank, N.A., in Kansas City, Missouri, a national banking association duly organized and existing under the laws of the United States of America, and its successor or successors and any other corporation which at the time may be substituted in its place pursuant to and at the time serving as Trustee under this Indenture.

Section 102. Rules of Interpretation.

(a) Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) Wherever in this Indenture it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(c) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this instrument as originally executed. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision.

(d) The Table of Contents and the Article and Section headings of this Indenture shall not be treated as a part of this Indenture or as affecting the true meaning of the provisions hereof.

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as "Audrain County, Missouri Taxable Industrial Revenue Bond (Duke Energy Audrain, LLC) Series 2000." The maximum total principal amount of Bonds that may be issued hereunder is hereby expressly limited to \$270,000,000, plus the principal amount of any Additional Bonds.

Section 202. Nature of Obligation. The Bonds and the interest thereon shall be special obligations of the County payable solely out of the rents, revenues and receipts derived by the County from

the Project and the Lease, and not from any other fund or source of the County, and are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners of the Bonds, as provided in this Indenture. The Bonds and the interest thereon shall not constitute general obligations of the County or the State of Missouri, and neither the County nor said State shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and are not payable in any manner by taxation.

Section 203. Denomination, Number and Dating of Bonds.

(a) The Bonds shall be issuable in the form of one fully registered Bond without coupons in the maximum principal denomination of \$270,000.000. The Bond shall be substantially in the form hereinafter set forth in Article IV of this Indenture.

(b) The Bond shall be dated by the Trustee as of the date of initial delivery thereof as provided herein. If the Bond is at any time thereafter transferred, any Bond replacing such Bond shall be dated as of the date of authentication thereof.

Section 204. Method and Place of Payment of Bond.

(a) The principal of and interest on the Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for payment of public and private debts.

(b) Payment of the principal of the Bond shall be made upon the presentation and surrender of such Bond at the principal payment office of any Paying Agent named in the Bond; provided, that so long as the Company or any entity controlled by, under common control with or controlling the Company is the sole Bondowner, the Trustee is authorized to make payments of principal on such Bond by internal bank transfer or by wire transfer to an account at a commercial bank or savings institution designated by such Bondowner and located in the continental United States; provided, further, that upon such payment by internal bank transfer or by wire transfer of principal on such Bond, the Trustee shall record the amount of such principal payment on the registration books for the Bonds maintained by the Trustee on behalf of the County. If the Bond is presented to the Trustee together with such payment, or for such payment, the Trustee shall enter the amount of such principal payment on the Table of Cumulative Outstanding Principal Amount on the Bond in the manner provided by Section 402 hereof. Notwithstanding the foregoing, the registration books maintained by the Trustee shall be the official record of the Cumulative Outstanding Principal Amount on the Bond at any time, and the Bondowner is not required to present the Bond for action by the Trustee, as bond registrar, with each payment of principal on the Bond. Payment of the interest on the Bond shall be made by the Trustee on each interest payment date to the person appearing on the registration books of the County hereinafter provided for as the registered owner thereof on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date by check or draft mailed to such registered owner at such owner's address as it appears on such registration books. In the event that the Company, or any entity controlled by, under common control with or controlling the Company is the sole Bondowner, the Trustee is authorized to make interest payments on such Bond by internal bank transfer or by wire transfer to an account at a commercial bank or savings institution designated by such Bondowner and located in the continental United States.

Section 205. Execution and Authentication of Bonds.

(a) The Bond shall be executed on behalf of the County by the manual or facsimile signature of its Presiding Commissioner and attested by the manual or facsimile signature of its County Clerk, and shall

have the corporate seal of the County affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on the Bond shall cease to be such officer before the delivery of such Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The Bond shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Section 403 hereof, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purposes unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized officer or signatory of the Trustee.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep books for the registration and for the transfer of Bonds as provided in this Indenture.

(b) The Bond may be transferred only upon the books kept for the registration and transfer of Bonds upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or such owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. The Bond has not been registered under the Securities Act of 1933, as amended, or any state securities law, and the Bond may not be transferred unless the County and the Trustee are furnished a written legal opinion from counsel acceptable to the County, the Trustee and the Company, to the effect that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended, and any applicable state securities law. The Bond may be transferred to any entity controlled by, under common control with or controlling the Company without the necessity of obtaining such an opinion. In connection with any such transfer of the Bond, the County and the Trustee shall receive an executed representation letter signed by the proposed assignee containing substantially the same representations contained in the representation letter delivered to the Trustee from the Owner upon the initial issuance of the Bond. Upon any such transfer, the County shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully registered Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the outstanding principal amount of such Bond, of the same maturity and bearing interest at the same rate.

(c) In all cases in which Bonds shall be exchanged or transferred hereunder the provisions of any legend restrictions on the Bonds shall be complied with and the County shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. The County or the Trustee may make a reasonable charge for every such exchange or transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid before any such new Bond shall be delivered. Neither the County nor the Trustee shall be required to make any such exchange or transfer of Bonds during the 15 days immediately preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

Section 207. Persons Deemed Owners of Bonds. As to any Bond, the person in whose name the same shall be registered as shown on the bond registration books required by Section 206 hereof shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or a legal representative thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 208. Authorization of the Bonds.

(a) There shall be issued and secured by this Indenture a series of Bonds in the aggregate maximum principal amount of \$270,000,000 for the purpose of providing funds for paying the costs of the Project, which Bonds shall be designated "Audrain County, Missouri Taxable Industrial Revenue Bond (Duke Energy Audrain, LLC) Series 2000." The Bonds shall be dated as provided in Section 203(b) hereof, shall become due on December 1, 2023 (subject to prior redemption as hereinafter provided in Article III) and shall bear interest as specified in Section 2.08(e) hereof, payable on the dates specified in Section 2.08(e) hereof.

(b) The Trustee is hereby designated as the County's Paying Agent for the payment of the principal of and interest on the Bonds.

(c) The Bond shall be executed without material variance from the form and in the manner set forth in Article IV hereof and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Bond by the Trustee, there shall be filed with the Trustee the following:

(1) An original or certified copy of the ordinance passed by the governing body authorizing the issuance of the Bonds and the execution of this Indenture and the Lease;

(2) An original executed counterpart of this Indenture, the Lease and the Bond Purchase Agreement;

(3) A representation letter from the purchaser of the Bonds;

(4) A request and authorization to the Trustee on behalf of the County, executed by the Authorized County Representative, to authenticate the Bond and deliver the same to the purchaser identified in the Bond Purchase Agreement upon payment to the Trustee, for the account of the County, of the purchase price thereof specified in the Bond Purchase Agreement. The Trustee shall be entitled to conclusively rely upon such request and authorization as to names of the purchaser and the amount of such purchase price;

(5) An opinion of counsel nationally recognized on the subject of municipal bonds to the effect that the Bonds constitute valid and legally binding limited and special revenue obligations of the County; and

(6) Such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Bonds.

(d) When the documents specified in subsection (c) of this Section shall have been filed with the Trustee, and when the Bond shall have been executed and authenticated as required by this Indenture,

the Trustee shall deliver the Bond to or upon the order of the purchaser thereof, but only upon payment to the Trustee of the purchase price of the Bond, as specified in the Bond Purchase Agreement. The proceeds of the sale of the Bonds shall be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in Article V hereof.

(c) The Bond shall bear interest at the rate of 10.00% per annum on the Cumulative Outstanding Principal Amount of the Bond, and such interest shall be payable in arrears on each December 1 commencing on December 1, 2000, and continuing thereafter until the said Cumulative Outstanding Principal Amount is paid in full; provided that the aggregate maximum principal amount shall not exceed \$270,000,000 and further provided that the Bond shall be paid in full no later than December 1, 2023. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

The Trustee shall keep and maintain a record of the amounts deposited into the Construction Fund pursuant to the terms of the Indenture, or the value of property transferred to the County in exchange for the issuance of additional principal amount of the Bond, as "Principal Amount Issued" and shall enter the aggregate principal amount of the Bond then outstanding on its records as the "Cumulative Outstanding Principal Amount" on its records maintained for the Bond. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the registered owner thereof, pursuant to the redemption provisions of the Indenture, the Trustee shall enter on its records the principal amount paid on the Bond as "Principal Amount Paid Pursuant to Redemption Provisions," and shall enter the then outstanding principal amount of this Bond as "Cumulative Outstanding Principal Amount" on its records. The registered owner may from time to time enter the respective amounts deposited into the Construction Fund pursuant to the terms of the Indenture, or the value of property transferred to the County in exchange for the issuance of additional principal amount of the Bond, under the column headed "Principal Amount Issued" on the Table of Cumulative Outstanding Principal Amount on the Bond (the "Table") and may enter the aggregate principal amount of the Bond then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the registered owner thereof pursuant to the redemption provisions of the Indenture, the registered owner may enter the principal amount paid on the Bond under the column headed "Principal Amount Paid Pursuant to Optional Redemption Provisions" on the Table and may enter the then outstanding principal amount of the Bond under the column headed "Cumulative Outstanding Principal Amount" on the Table. However, the records maintained by the Trustee as to principal amount issued or principal amounts paid on the Bond shall be the official records of the Cumulative Outstanding Principal Amount for all purposes.

Section 209. Authorization of Additional Bonds.

(a) If permitted by law and upon agreement by the County and the Company as to all applicable terms, including without limitation any grant payments, payments under the Lease and other matters, Additional Bonds may be issued under and equally and ratably secured by this Indenture on a parity with the Bonds, and any other Additional Bonds which remain Outstanding after the issuance of such Additional Bonds, at any time or from time to time, upon compliance with the conditions hereinafter provided in this Section, for the purpose of (i) providing funds to pay the cost of completing the Project or the making of additional improvements to the Project or the acquisition and installation of additional Project Equipment or (ii) providing funds for refunding all or part of the Bonds then Outstanding of any series, including the payment of any premium thereon and interest to accrue to the designated redemption date and any expenses in connection with such refunding. Additional Bonds may be issued only with the written consent of the Company.

(b) Before any Additional Bonds shall be issued under the provisions of this Section, the County shall pass an ordinance authorizing the issuance of such Additional Bonds, fixing the amount thereof and describing the Bonds, if any, to be refunded, authorizing the County to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and, if required, authorizing the County to enter into a Supplemental Lease with the Company.

(c) Such Additional Bonds shall be dated, shall be stated to mature in such year or years, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by law, and shall be redeemable at such times and prices, all as may be provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemptions, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Bonds, and any other Additional Bonds which remain Outstanding after the issuance of such Additional Bonds.

(d) The proceeds, excluding accrued interest, of all Additional Bonds shall be deposited in accordance with the terms of the ordinance authorizing their issuance, after payment or making provision for payment of all expenses incident to such financing to be used for the sole and exclusive purposes provided in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Section 210. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond shall become mutilated, or be lost, stolen or destroyed, the County shall execute and the Trustee shall authenticate and deliver a new Bond of like series, date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the County and the Trustee evidence of such loss, theft or destruction satisfactory to the County and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond, the County may pay or authorize the payment of the same without surrender thereof. Upon the issuance of any substitute Bond, the County and the Trustee may require the payment of an amount sufficient to reimburse the County and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

Section 211. Cancellation and Destruction of Bonds Upon Payment.

(a) All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity shall be cancelled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee.

(b) All Bonds cancelled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate describing the Bonds so destroyed, and shall file executed counterparts of such certificate with the County and the Company.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds Generally. The Bond shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article. Additional Bonds shall be

subject to redemption prior to maturity in accordance with the terms and provisions contained in this Article and as may be specified in the Supplemental Indenture authorizing such Additional Bonds.

Section 302. Redemption of Bonds. The Bonds shall be subject to redemption and payment in whole or in part, as follows:

(a) At any time prior to the stated maturity thereof, at the option of the County, upon instructions from the Company, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

(b) At any time prior to the stated maturity thereof, to the extent amounts are deposited into the Bond Fund in accordance with clauses (c) through (g) of Section 602 hereof, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

(c) Upon the payment of all of the Grants (as defined in the Grant Agreement) under the Grant Agreement, the Bond shall be subject to mandatory redemption at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

Section 303. Effect of Call for Redemption. Prior to or on the date fixed for redemption, funds or Government Securities shall be placed with the Trustee which are sufficient to pay the Bonds called for redemption and accrued interest thereon, if any, to the redemption date. Upon the happening of the above conditions and appropriate written notice having been given, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture. If the Bonds are fully redeemed prior to maturity and an amount of money equal to the Trustee's and the Paying Agent's agreed to and reasonable fees and expenses hereunder accrued and to accrue in connection with such redemption is paid or provided for, the County shall, at the Company's direction, deliver to the Company the items described in Section 11.2 of the Lease.

Section 304. Notice of Redemption. In the event the Bonds are to be called for redemption as provided in Section 302 (a) or (b) hereof, the Company shall deliver written notice to the County and the Trustee that it has elected to redeem all or a portion of the Bonds in accordance with Section 302(a) or (b) hereof at least 40 days (10 days if the Company, or any entity controlled by, under common control with or controlling the Company, is the Bondowner) prior to the scheduled redemption date. The Trustee shall then deliver written notice to the Owner at least 30 days (five days if the Company, any entity controlled by, under common control with or controlling the Company, is the Bondowner) prior to the scheduled redemption date by first class mail stating the date upon which the Bonds will be redeemed and paid. The Bonds are subject to redemption pursuant to Section 302(c) without any request or notice from the Company.

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally. The Bond and the Trustee's Certificate of Authentication to be endorsed thereon shall be issued in substantially the forms set forth in this article. Additional Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be in substantially the form set forth in this Article, with such necessary or appropriate variations, omissions and insertions as are permitted or

required by this Indenture or any Supplemental Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirements of law with respect thereto.

Section 402. Form of Bond.

(FORM OF BOND)

This Bond has not been registered under the Securities Act of 1933, as amended, or any state securities laws, and this Bond may not be transferred unless the County, the Trustee and the Company are furnished a written legal opinion from counsel acceptable to the County, the Trustee and the Company, to the effect that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended, and any applicable state securities laws. This Bond may be transferred to any entity controlled by, under common control with, or controlling the Company, without the necessity of obtaining such an opinion.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**AUDRAIN COUNTY, MISSOURI
TAXABLE INDUSTRIAL REVENUE BOND
(DUKE ENERGY AUDRAIN, LLC)
SERIES 2000**

AUDRAIN COUNTY, MISSOURI, a third class county organized and existing under the laws of the State of Missouri (the "County"), for value received, promises to pay, but solely from the source hereinafter referred to, to

DUKE CAPITAL CORPORATION

or registered assigns, on December 1, 2023, the principal amount of

TWO HUNDRED SEVENTY MILLION DOLLARS

or such lesser amount as may be outstanding hereunder as reflected on the Table of Cumulative Outstanding Principal Amount attached hereto and recorded as provided in the Indenture (defined herein). The registered owner shall note the principal amount outstanding hereunder in the Table of Cumulative Outstanding Principal Amount attached hereto, provided, however, that the records maintained by the Trustee shall be the official record of the Cumulative Outstanding Principal Amount of this Bond. The County agrees to pay such principal amount to the registered owner in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and in like manner to pay to the registered owner hereof, either by check or draft mailed to the registered owner at a stated address as it appears on the bond registration books of the County kept by the Trustee under the within mentioned Indenture or, in certain situations authorized in the Indenture, by internal bank transfer or by wire transfer to an account in a commercial bank or savings institution located in the continental United States, interest on the Cumulative Outstanding Principal Amount (as hereinafter defined) at the rate of 10.00% per annum payable in arrears on each December 1 commencing on December 1, 2000, and continuing thereafter until the said Cumulative Outstanding Principal Amount is paid in full. Interest shall be computed on the basis of a year of 360 days consisting of 12 months of 30 days each. Principal on this Bond shall be payable in full on December 1, 2023.

The registered owner may from time to time enter the respective amounts deposited into the Construction Fund pursuant to the terms of the Indenture under the column headed "Principal Amount Issued" on the attached Table of Cumulative Outstanding Principal Amount (the "Table") and may enter the aggregate principal amount of this Bond then outstanding under the column headed "Cumulative Outstanding Principal Amount" on the attached Table. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the registered owner hereof pursuant to the redemption provisions of the Indenture, the registered owner may enter the principal amount paid on this Bond under the column headed "Principal Amount Paid Pursuant to Redemption Provisions" on the Table and may enter the then outstanding principal amount of this Bond under the column headed "Cumulative Outstanding Principal Amount" on the Table. However, the records maintained by the Trustee as to the principal amount issued or principal amounts paid on this Bond shall be the official records of the Cumulative Outstanding Principal Amount for all purposes.

THIS BOND is a duly authorized Bond of the County designated "Audrain County, Missouri Taxable Industrial Revenue Bonds (Duke Energy Audrain, LLC) Series 2000," in the maximum aggregate principal amount of \$270,000,000 (the "Bonds"), to be issued for the purpose of providing funds to pay the cost of purchasing, constructing, extending and improving the Project, to be leased to the Company, under the terms of a Lease Agreement dated as of April 15, 2000 (said Lease Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Lease"), between the County and the Company, all pursuant to the authority of and in full compliance with the provisions, restrictions and limitations and Constitution and statutes of the State of Missouri, including particularly the Act, and pursuant to proceedings duly had by the governing body of the County.

THE BOND is issued under and is equally and ratably secured and entitled to the protection given by a Trust Indenture, dated as of April 15, 2000 (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Indenture"), between the County and Commerce Bank, N.A., Kansas City, Missouri (the "Trustee"). Capitalized terms not defined herein shall have the meanings set forth in the Indenture.

Subject to the terms and conditions set forth therein, the Indenture permits the County to issue Additional Bonds (as defined therein) secured by the Indenture on a parity with the Bonds. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the County, the Trustee and the owners of the Bonds, and the terms upon which the Bonds are issued and secured.

THIS BOND shall be subject to redemption and payment in whole or in part, as follows:

- (a) At any time prior to the stated maturity thereof, at the option of the County, upon instructions from the Company, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.
- (b) At any time prior to the stated maturity thereof, to the extent amounts are deposited into the Bond Fund, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.
- (c) Upon the payment of all of the Grants (as defined in the Grant Agreement) under the Grant Agreement, the Bond shall be subject to mandatory redemption at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

In the event the Bond is to be called for redemption as provided in paragraphs (a) or (b) above, the Company shall deliver written notice to the County and the Trustee that it has elected to redeem all or a portion of the Bonds in accordance with paragraph (a) or (b) above at least 40 days (10 days if the Company, or any entity controlled by, under common control with or controlling the Company, is the Bondowner) prior to the scheduled redemption date. The Bond is subject to redemption pursuant to (c) above without any request or notice from the Company. The Trustee shall then deliver written notice to the Owner of this Bond at least thirty days (five days if the Company, or any entity controlled by, under common control with or controlling the Company, is the Bondowner) prior to the scheduled redemption date by first class mail stating the date upon which the Bonds will be redeemed and paid.

THE BOND, including interest thereon, is a special obligation of the County and is payable solely out of the rents, revenues and receipts derived by the County from the Project and the Lease and not from any other fund or source of the County, and is secured by a pledge and assignment of the Project and of such rents, revenues and receipts, including all rentals and other amounts to be received by the County under and pursuant to the Lease, all as provided in the Indenture. The Bond does not constitute a general obligation of the County or the State of Missouri, and neither the County nor said State shall be liable thereon, and the Bond shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and is not payable in any manner by taxation. Pursuant to the provisions of the Lease, rental payments sufficient for the prompt payment when due of the principal of and interest on the Bond is to be paid by the Company directly to the Trustee for the account of the County and deposited in a special account created by the County and designated the "Audrain County, Missouri, Taxable Industrial Revenue Bond Fund - Duke Energy Audrain, LLC."

THE OWNER of this Bond shall have no right to enforce the provision of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of this Bond or the Indenture may be made only to the extent and in the circumstances permitted by the Indenture.

THIS BOND is transferable, as provided in the Indenture, only upon the books of the County kept for that purpose at the above-mentioned office of the Trustee by the registered owner hereof in person or by such person's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such person's duly authorized attorney, and thereupon a new fully registered Bond or Bonds, without coupons, and in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The County, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

THE BOND is issuable in the form of one fully registered Bond without coupons in the maximum principal denomination of \$270,000,000.

THIS BOND shall not be valid or become obligatory for any purposes or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, Audrain County, Missouri, has caused this Bond to be executed in its name by the manual or facsimile signature of its Presiding Commissioner, attested by the manual or facsimile signature of its County Clerk and its corporate seal to be affixed hereto or imprinted hereon, and has caused this Bond to be dated as of May 26, 2000.

AUDRAIN COUNTY, MISSOURI

By _____
Presiding Commissioner

(SEAL)

ATTEST:

By _____
County Clerk

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

<u>Date</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Paid Pursuant to Redemption Provisions</u>	<u>Cumulative Outstanding Principal Amount</u>	<u>Notation Made By</u>
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(FORM OF ASSIGNMENT)
(NOTE RESTRICTIONS ON TRANSFERS)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Typewrite Name, Address and Social Security or
other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer the within Bond on the books kept by the Trustee
for the registration and transfer of Bonds; with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must
correspond with the name as it appears upon the
face of the within Bond in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as
defined by SEC Rule 17 Ad-15 (17 CFR 240.17
Ad-15))

By _____
Title: _____

Section 403. Form of Certificate of Authentication.

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This Bond is the Taxable Industrial Revenue Bond (Duke Energy Audrain, LLC), described in the Trust Indenture. The effective date of registration of this Bond is set forth below.

COMMERCE BANK, N.A.

Date _____

By _____
Name: _____
Title: _____

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Construction Fund. There is hereby created and ordered to be established in the custody of the Trustee a special trust fund in the name of the County to be designated the "Audrain County, Missouri. Construction Fund - Duke Energy Audrain, LLC" (herein called the "Construction Fund").

Section 502. Deposits into the Construction Fund. The proceeds of the sale of the Bond, including Additional Payments provided for in the Bond Purchase Agreement, when received, excluding such amounts required to be paid into the Bond Fund pursuant to Section 602 hereof, shall be deposited by the Trustee into the Construction Fund. Any money received by the Trustee from any other source for the purpose of acquisition, construction, extension or improvement of the Project shall also be deposited into the Construction Fund.

Section 503. Disbursements from the Construction Fund.

(a) The moneys in the Construction Fund shall be disbursed by the Trustee for the payment of, or reimbursement to the Company for payment of, Project Costs upon receipt of requisition certificates signed by the Company in accordance with the provisions of Article IV of the Lease, and the Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions. In paying any requisition under this Section, the Trustee may rely as to the completeness and accuracy of all statements in such requisition certificate if such requisition certificate is signed by the Authorized Company Representative. If the County so requests in writing, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the County.

(b) The County hereby authorizes and directs the Trustee to make disbursements in the manner and as provided for by the aforesaid provisions of the Lease.

(c) The Trustee shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom and shall provide a statement of receipts and disbursements with respect thereto to the Company on a monthly basis. After the Project has been completed and a certificate of payment of all costs filed as provided in Section 504 hereof, the Trustee, to the extent it has not already done so pursuant to this Section or Section 1012 hereof, shall file a final statement of receipts and disbursements with respect thereto with the County and the Company.

Section 504. Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate required by the provisions of Section 4.5 of the Lease. As soon as practicable any balance remaining in the Construction Fund shall without further authorization be deposited in the Bond Fund.

Section 505. Disposition Upon Acceleration. If the principal of the Bonds shall have become due and payable pursuant to Section 902 of this Indenture, upon the date of payment by the Trustee of any moneys due as hereinafter provided in Article IX provided, any balance remaining in the Construction Fund shall without further authorization be deposited in the Bond Fund by the Trustee with advice to the County and to the Company of such action.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Creation of the Bond Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the County to be designated the "Audrain County, Missouri, Taxable Industrial Revenue Bond Fund -- Duke Energy Audrain, LLC" (herein called the "Bond Fund").

Section 602. Deposits Into the Bond Fund. The Trustee shall deposit into the Bond Fund, as and when received, (a) all accrued interest on the Bonds, if any, paid by the purchaser of the Bonds; (b) all rent payments payable by the Company to the County specified in Section 5.1 of the Lease and amounts due under Section 5.2 of the Lease for deposit in the Bond Fund; (c) any amount in the Construction Fund to be transferred to the Bond Fund pursuant to Section 504 hereof upon completion of the Project; (d) the balance of any Net Proceeds (as defined in the Lease) of condemnation awards or insurance received by the Trustee pursuant to Article IX of the Lease; (e) the amounts to be deposited in the Bond Fund pursuant to Sections 9.1(c) and 9.2(c) of the Lease; (f) all interest and other income derived from investments of Bond Fund moneys as provided in Section 702 hereof; and (g) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

Section 603. Application of Moneys in the Bond Fund.

(a) Except as provided in Section 606 and Section 908 hereof or in Section 4.6(a) of the Lease, moneys in the Bond Fund shall be expended solely for the payment of the principal of and the interest on the Bonds as the same mature and become due or upon the redemption thereof prior to maturity; provided, however, that any amounts received by the Trustee as Additional Rent under Section 5.2 of the

Lease and deposited to the Bond Fund as provided in Section 602 above, shall be expended by the Trustee for such items of Additional Rent as they are received or due without further authorization from the County.

(b) The County hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and the interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the Paying Agent for the purpose of paying said principal and interest.

(c) Whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem all of the Bonds Outstanding and to pay interest to accrue thereon prior to such redemption, the County covenants and agrees, upon request of the Company, to take and cause to be taken the necessary steps to redeem all such Bonds on the next succeeding redemption date for which the required redemption notice may be given or on such later redemption date as may be specified by the Company. The Trustee may use any moneys in the Bond Fund to redeem a part of the Bonds Outstanding in accordance with and to the extent permitted by Article III hereof so long as the Company is not in default with respect to any payments under the Lease and to the extent said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption and past due interest, if any, in all cases when such Bonds have not been presented for payment.

Section 604. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of principal of or interest, if any, on the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, a Sunday or a legal holiday or a day on which banking institutions in the city of payment are authorized by law to close, then payment of principal or interest, if any, need not be made on such date but may be made on the next succeeding business day not a Saturday, a Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest, if any, shall continue to accrue for the period after such date.

Section 605. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the County to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall repay to the Company the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Company, and the Owner thereof shall be entitled to look only to the Company for payment, and then only to the extent of the amount so repaid, and the Company shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 606. Repayment to the Company from the Bond Fund. After payment in full of the principal of and interest, if any, on the Bonds (or provision has been made for the payment thereof as provided in this Indenture), and the fees, charges and expenses of the Trustee, the County and any Paying Agent and any other amounts required to be paid under this Indenture and the Lease, all amounts remaining in the Bond Fund shall be paid to the Company upon the expiration or sooner termination of the Lease.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for account of the Bond Fund or the Construction Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease, and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 702. Investment of Moneys in Construction Fund and Bond Fund. Moneys held in the Construction Fund and the Bond Fund shall, pursuant to written direction of the Company, signed by the Authorized Company Representative, be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the owner prior to the date such funds will be needed. In the event the Company fails to provide written directions concerning investment of moneys held in the Construction Fund and the Bond Fund, the Trustee may invest in such Investment Securities specified in paragraph (e) of the definition of Investment Securities, provided they mature or are subject to redemption prior to the date such funds will be needed. Any such Investment Securities shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities shall be credited to such fund, and any loss resulting from such Investment Securities shall be charged to such fund. After the Trustee has notice pursuant to Section 1001(h) of this Indenture of the existence of an Event of Default, the Trustee shall direct the investment of moneys in the Bond Fund and the Construction Fund. The Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in any Fund is insufficient for the purposes of such Fund. In determining the balance in any Fund, investments in such Fund shall be valued at the lower of their original cost or their fair market value as of the most recent Payment Date. The Trustee may make any and all investments permitted by the provisions of this Section through its own bond department or any affiliate or short-term investment department.

Section 703. Record Keeping. The Trustee shall maintain records designed to show compliance with the provisions of this Article and with the provisions of Article VI for at least six years after the payment of all of the Outstanding Bonds.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest. The County covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project and the Lease as described herein, deposit or cause to be deposited in the Bond Fund sufficient sums payable under the Lease promptly to meet and pay the principal of and the interest on the Bonds as they become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The County covenants and agrees that it will use its best efforts to cause the Project to be continuously and sufficiently leased as a revenue and income providing undertaking. Should there be a default under the Lease with the result that the right of possession of the Project is returned to the County, the County shall fully cooperate with the Trustee and with the Bondowners to the end of fully protecting the rights and

security of the Bondowners and shall diligently proceed in good faith and use its best efforts to secure another tenant for the Project to the end that at all times sufficient rents, revenues and receipts will be derived from the Project promptly to meet and pay the principal of and the interest on the Bonds as they become due and payable. Nothing herein shall be construed as requiring the County to operate the Project as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project.

Section 802. Authority to Execute Indenture and Issue Bonds. The County covenants that it is duly authorized under the Constitution and laws of the State of Missouri to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the County according to the import thereof.

Section 803. Performance of Covenants. The County covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its governing body pertaining thereto. The Trustee may take such action as it deems appropriate to enforce all such covenants, undertaking, stipulations and provisions of the County hereunder.

Section 804. Instruments of Further Assurance. The County covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the property and revenues herein described to the payment of the principal of and interest, if any, on the Bonds. The County covenants and agrees that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

Section 805. Recordings and Filings. Upon request of the Owner of the Bonds or the Trustee, the County will cooperate in causing this Indenture and all Supplemental Indentures, the Lease and all Supplemental Leases and all appropriate financing and continuation statements and other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Owners of the Bonds and the rights of the Trustee hereunder.

Section 806. Inspection of Project Books. The County covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall at all times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 807. Enforcement of Rights Under the Lease. The County covenants and agrees that it shall enforce all of its rights and all of the obligations of the Company (at the expense of the Company) under the Lease to the extent necessary to preserve the Project in good repair and reasonably safe operating condition, and to protect the rights of the Trustee and the Bondowners hereunder with respect to the pledge and assignment of the rents, revenues and receipts coming due under the Lease; provided that, the County and the Trustee, as its assignee, shall refrain from enforcing any such right or obligation (except for the rights of the County or the Trustee to receive payments owing to either of them for their own account under the Indenture, the Lease, the Grant Agreement or any other agreement related to the Bonds or for their rights of indemnification or to be protected from liabilities by insurance policies required by the Lease) if so directed in writing by the Owners of 100% of the Outstanding Bonds. The County agrees that the Trustee,

as assignee of the rentals and other amounts to be received by the County and paid by the Company under the Lease, or in its name or in the name of the County, may enforce all rights of the County to receive such rentals and other amounts and all obligations of the Company to pay such rentals and other amounts under and pursuant to the Lease for and on behalf of the Bondowners, whether or not the County is in default hereunder. So long as not otherwise provided in this Indenture, the Company shall be permitted to possess, use and enjoy the Project and appurtenances so as to carry out its obligations under the Lease.

ARTICLE IX

DEFAULT AND REMEDIES

Section 901. Events of Default; Notice; Opportunity to Cure. If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (a) Default in the due and punctual payment of the principal on any Bond, whether at the stated maturity or accelerated maturity thereof, or at the date fixed for redemption thereof;
- (b) Default in the due and punctual payment of the interest on any Bond, whether at the stated maturity or accelerated maturity thereof, or at the date fixed for redemption thereof;
- (c) Default as specified in Section 12.1 of the Lease shall have occurred.

Anything herein to the contrary notwithstanding, no default specified above shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the County, the Trustee or by the Owners of 25% in aggregate principal amount of all Bonds Outstanding to the Company and the Company shall have had 30 days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within such period; provided, however, if any such default (other than a default in the payment of any money) shall be such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Company within such period and diligently pursued until the default is corrected.

Section 902. Acceleration of Maturity in Event of Default. If an Event of Default shall have occurred and be continuing, the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing delivered to the County and the Company, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default shall have occurred and be continuing, the County, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the County pertaining thereto, and including the rights and the position of the County under the Lease, and to hold, operate and manage the same, and from time to time make all needful repairs and improvements; the Trustee may lease the Project or any part thereof, in the name and for account of the County, and collect, receive and sequester the rents, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including without

limitation (a) reasonable compensation to the Trustee, his agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges prior to the lien of this Indenture, (d) all expenses of such repairs and improvements, and (e) any amounts payable under the Grant Agreement, and the Trustee shall apply the remainder of the moneys so received in accordance with the provisions of Section 908 hereof. Whenever all that is due upon the Bonds shall have been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the County, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default. While in possession of such property, the Trustee shall render annually to the County and the Company a summarized statement of receipts and expenditures in connection therewith.

Section 904. Appointment of Receivers in Event of Default. If an Event of Default shall have occurred and be continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 905. Exercise of Remedies by the Trustee.

(a) Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the County or the Company as herein set forth or as set forth in the Lease, respectively.

(b) If an Event of Default shall have occurred and be continuing, and if requested to do so by the Owners of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in subsection (l) of Section 1001 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient and in the interests of the Bondowners.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall, subject to the provisions of Section 908 hereof, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 906. Limitation on Exercise of Remedies by Bondowners. No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in subsection (h) of Section 1001 or of which by said subsection the Trustee is deemed to have notice, (b) such default shall have become an Event of Default, (c) the Owners of 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed and to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have offered to the Trustee indemnity as provided in subsection (l) of Section 1001, and (d) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name; such notification, request and offer of indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder it being understood and

intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondowner to payment of the principal of and interest on any Bond at and after the maturity thereof or the obligation of the County to pay the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time, place, from the source and in the manner herein and in the Bonds expressed.

Section 907. Right of Bondowners to Direct Proceedings.

(a) Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing, executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, including Section 1001(l) hereof.

(b) Notwithstanding any provision in this Indenture to the contrary, the Owners of the Bonds shall not have the right to control or direct any remedies hereunder in the event of a default pursuant to Section 12.1(e) of the Lease Agreement.

Section 908. Application of Moneys in Event of Default.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including any attorneys fees and expenses) or to be paid pursuant to Section 903 hereof, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied as follows:

(1) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST -- To the payment to the persons entitled thereto of all installments of interest, if any, then due and payable on the Bonds, in the order in which such installments of interest became due and payable, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

SECOND -- To the payment to the persons entitled thereof of the unpaid principal of any of the Bonds which shall have become due and payable (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment, ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest, if any, then due and unpaid on all of the Bonds, without preference or priority of principal over

interest or of interest over principal or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the person entitled thereto, without any discrimination or privilege.

(3) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 910, then, subject to the provisions of subsection (2) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue.

(c) Whenever all of the Bonds and interest thereon, if any, have been paid under the provisions of this Section, and all fees, expenses and charges of the County and the Paying Agent have been paid (including any amounts payable under the Grant Agreement), any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 606 hereof.

Section 909. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondowners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the County, the Company, the Trustee and the Bondowners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 910. Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest, if any, on Bonds, and shall do so upon the written request of the Owners of at least 50% in aggregate principal amount of all the Bonds then Outstanding and the County (for any Event of Default hereunder as a result of any Event of Default under Section 12.1(e) of the Lease), provided, however, that there shall not be waived without the consent of the Owners of all the Bonds Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds when due (whether at the date of maturity or redemption specified therein), or (b) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, or all arrears of payments of principal when due, as the case may be, and all reasonable expenses of the Trustee and the County (including attorneys fees and expenses), in connection with such default, shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the County, the Company, the Trustee and the Bondowners shall be restored to their former positions,

rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default shall have occurred and be continuing, subject to Section 1001(1) below, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent corporate trust department would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers and shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed or chosen by it with due care, and the Trustee shall be entitled to act upon the opinion or advice of counsel, who may be counsel to the County or to the Company, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel addressed to the County and the Trustee.

(c) Except as provided in the Lease and particularly Section 10.8 thereof, the Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith, or for insuring the Project or collecting any insurance moneys, or for the validity of the execution by the County of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VII hereof.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such

authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the Authorized County Representative or an Authorized Company Representative as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the County to cause to be made any of the payments to the Trustee required to be made in Article VI hereof, unless the Trustee shall be specifically notified in writing of such default by the County or by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding.

(i) At any and all reasonable times and subject to the Company's reasonable and standard security procedures, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all of the Project, and all books, papers and records of the County pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired. The Trustee shall treat all proprietary information of the Company as confidential.

(j) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise in respect of the Project.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the County to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture other than the payments from moneys on deposit in the Construction Fund or the Bond Fund, as provided herein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

Section 1002. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary expenses reasonably made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Bonds. Pursuant to the provisions of Section 5.2 of the Lease, the Company has agreed to pay to the Trustee all reasonable fees, charges and expenses of the Trustee under this Indenture. The Trustee agrees that the County shall have no liability for any reasonable fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Company for the payment of all reasonable fees, charges and expenses of the Trustee and any Paying Agent as provided in the Lease. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred.

Section 1003. Notice to Bondowners if Default Occurs. If a default occurs of which the Trustee is by subsection (h) of Section 1001 hereof required to take notice or if notice of default be given as in said subsection (h) provided, then the Trustee shall give written notice thereof to the last known Owners of all Bonds then Outstanding as shown by the bond registration books required by Section 206 to be kept at the corporate trust office of the Trustee.

Section 1004. Intervention by the Trustee. In any judicial proceeding to which the County is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds, the Trustee may intervene on behalf of Bondowners and, subject to the provisions of Section 1001(i) hereof, shall do so if requested in writing by the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding.

Section 1005. Successor Trustee Upon Merger, Consolidation or Sale. With the prior written consent of the Company, any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 1006. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the County, the Company and the Bondowners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Bondowners or by the County.

Section 1007. Removal of Trustee. The Trustee may be removed at any time, with or without cause, by an instrument or concurrent instruments in writing (a) delivered to the Trustee, the County and the Company and signed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, or (b) so long as no Event of Default under this Indenture or the Lease shall have occurred and be continuing, delivered to the Trustee, the County and the Owners of the Bonds and signed by the Company.

Section 1008. Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or shall otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee (a) reasonably acceptable to the County may be appointed by the Company (so long as no Event of Default shall have occurred and be continuing), or (b) reasonably acceptable to the County and the Company may be appointed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy, the County, by an instrument executed and signed by its Presiding Commissioner and attested by its County Clerk under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed in the manner above provided. Any such temporary Trustee so appointed by the County shall hold such appointment no longer than 90 days without Company approval (so long as no Event of Default shall have occurred and be continuing) and shall immediately and without further acts be superseded by the successor Trustee so appointed as provided above. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing and qualified to accept such trust having, or whose obligations are guaranteed by a financial institution having, a reported capital, surplus and undivided profits of not less than \$50,000,000.

Section 1009. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the County and the Company an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the County, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the County be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the County.

Section 1010. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Bondowners hereunder arising in consequence of such failure; any amount at any time so paid under this Section, with interest thereon from the date of payment at the rate of 10% per annum, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of or interest on the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Project, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

Section 1011. Trust Estate May be Vested in Co-trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State of Missouri) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Lease, and in particular in case of the enforcement of either on

default or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee (which appointment shall be subject to the approval of the Company), each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the County be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to such co-trustee such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the County.

(d) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 1012. Accounting. The Trustee shall render an annual accounting for the period ending December 31 of each year to the County, the Company and to any Bondowner requesting the same and, upon the request of the Company or the Bondowner, a monthly accounting to the Company and the Bondowner, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 1013. Performance of Duties Under the Lease. The Trustee hereby accepts and agrees to perform all duties and obligations assigned to it under the Lease.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Bondowners. The County and the Trustee may from time to time, without the consent of or notice to any of the Bondowners, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture, or to make any other change not materially adverse to the security for the Bondowners;

(b) To grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;

(c) To more precisely identify the Project or the Project Site or to add additional property thereto;

(d) To conform the Indenture to amendments to the Lease made by the County and the Company;

(e) To subject to this Indenture additional revenues, properties or collateral; or

(f) To issue Additional Bonds as provided in Section 209 hereof.

Section 1102. Supplemental Indentures Requiring Consent of Bondowners.

(a) Exclusive of Supplemental Indentures covered by Section 1101 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the County and the Trustee of such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the County for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that without the consent of the Owners of 100% of the principal amount of the Bonds then Outstanding, nothing in this Section contained shall permit or be construed as permitting (1) an extension of the maturity or a shortening of the redemption date of the principal of or the interest, if any, on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, if any, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) If at the time the County shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Bondowner as shown on the bond registration books required by Section 206 hereof. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondowners. If within 60 days or such longer period as may be prescribed by the County following the mailing and final publication of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the County from executing the same or from taking any action pursuant to the provisions thereof.

Section 1103. Company's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights of the Company shall not become effective unless and until the Company shall have consented in writing to the execution and delivery of such Supplemental Indenture, provided that receipt by the Trustee of a Supplemental Lease executed by the Company in connection with the issuance of Additional Bonds under Section 209 hereof shall be deemed to be the consent of the Company to the execution of a Supplemental

Indenture pursuant to Section 209 hereof, respectively. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture (other than a Supplemental Indenture proposed to be executed and delivered pursuant to Section 209 hereof) together with a copy of the proposed Supplemental Indenture to be mailed to the Company at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Bondowners. The County and the Trustee shall, without the consent of or notice to the Bondowners, consent to the execution of any Supplemental Lease or Supplemental Leases by the County and the Company as may be required (a) by the provisions of the Lease and this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (c) so as to more precisely identify the Project or add additional property thereto, (d) in connection with the issuance of Additional Bonds under Section 209 hereof, (e) in connection with any other change therein which, in the judgment of the Trustee, does not materially and adversely affect the Trustee or security for the Bondowners.

Section 1202. Supplemental Leases Requiring Consent of Bondowners. Except for Supplemental Leases as provided for in Section 1201 hereof, neither the County nor the Trustee shall consent to the execution of any Supplemental Lease or Supplemental Leases by the County or the Company without the mailing of notice and the obtaining of the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and obtained as provided in Section 1102 hereof. If at any time the County and the Company shall request the consent of the Trustee to any such proposed Supplemental Lease, the Trustee shall cause notice of such proposed Supplemental Lease to be mailed in the same manner as provided in Section 1102 hereof with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed Supplemental Lease and shall state that copies of the same are on file in the principal corporate trust office of the Trustee for inspection by all Bondowners.

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture.

(a) When the principal of and interest on all the Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in Section 1302 hereof, and provision shall also be made for paying all other sums payable hereunder, including the reasonable fees and expenses of the Trustee, the County and Paying Agent to the date of retirement of the Bonds, then the right, title and interest of the Trustee in respect hereof shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the County such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the County any property at the time subject to this Indenture which may then be in its possession, except amounts in the Bond Fund required to be paid to the Company under Section 606 hereof and except funds or securities in which such funds are invested held by the Trustee for the payment of the principal of and interest on the Bonds.

(b) The County is hereby authorized to accept a certificate by the Trustee that the whole amount of the principal and interest, if any, so due and payable upon all of the Bonds or coupons then Outstanding has been paid or such payment provided for in accordance with Section 1302 hereof as evidence of satisfaction of this Indenture, and upon receipt thereof shall cancel and erase the inscription of this Indenture from its records.

Section 1302. Bonds Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Article when payment of the principal of and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided for by depositing with the Trustee in trust and irrevocably set aside exclusively for such payment (i) moneys sufficient to make such payment or (ii) Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, or (3) shall have been provided for by surrendering the Bond to the Trustee for cancellation. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (2) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, proper notice of such redemption shall have been given in accordance with Article III of this Indenture or irrevocable instructions shall have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds shall be applied to and used solely for the payment of the particular Bonds, with respect to which such moneys and Government Securities have been so set aside in trust.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Bondowners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take

acknowledgements within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(2) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the County maintained by the Trustee pursuant to Section 206 hereof.

Section 1402. Limitation of Rights Under this Indenture. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give any person other than the parties hereto, and the Owners of the Bonds, if any, any right, remedy or claim under or in respect to this Indenture, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owners of the Bonds, as herein provided.

Section 1403. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given or filed with the County, the Trustee, the Company or Bondowners if the same shall be duly mailed by registered or certified mail addressed:

- (a) To the County: Audrain County, Missouri
Audrain County Courthouse
Mexico, Missouri 65265
ATTN: Presiding Commissioner
- (b) To the Trustee: Commerce Bank, N.A.
922 Walnut, 5th Floor
Kansas City, Missouri 64106
ATTN: Corporate Trust Department
- (c) To the Company: Duke Energy Audrain, LLC
c/o Duke Energy North America LLC
5400 Westheimer Court
Houston, Texas 77056
ATTN: General Counsel

(d) To the Bondowners if the same shall be duly mailed by first class, registered or certified mail addressed to each of the Owners of Bonds at the time Outstanding as shown by the bond registration books required by Section 206 hereof to be kept at the principal corporate trust office of the Trustee.

Section 1404. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 1405. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1406. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Audrain County, Missouri, has caused this Indenture to be signed in its name and behalf by its Presiding Commissioner and the seal of the County to be hereunto affixed and attested by its County Clerk, and to evidence its acceptance of the trusts hereby created, Commerce Bank, N.A. has caused this Indenture to be signed in its name and behalf by its duly authorized President or Vice-President or Trust Officer and its official seal to be hereunto affixed and attested by its Secretary or Assistant Secretary, all as of the date first above written.

AUDRAIN COUNTY, MISSOURI

By Richard L. Lister
Presiding Commissioner

[SEAL]

ATTEST:

By Shelly H. Hargis
County Clerk

COMMERCE BANK, N.A.,
as Trustee

By [Signature]
Name: WILLIAM EKEY
Title: Vice President

[SEAL]

ATTEST:

By [Signature]
Name: VINETTA A GARNETT
Title: Assistant Secretary

Duke Energy Audrain, LLC
Trust Indenture

ACKNOWLEDGEMENTS

STATE OF MISSOURI)
) SS.
COUNTY OF Jackson)

On this 16th day of April, 2000, before me, the undersigned, a Notary Public in and for said State, personally appeared RICHARD WEBBER, and SHELLEY HARVEY, who acknowledged themselves to be the Presiding Commissioner and County Clerk of AUDRAIN COUNTY, MISSOURI, a third class county organized and existing under the laws of the State of Missouri, and that they, as such Presiding Commissioner and County Clerk are authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the County by themselves as Presiding Commissioner and County Clerk.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.


Notary Public

My commission expires:

5.5.03

Duke Energy Audran, LLC
Trust Indenture

STATE OF Missouri)
COUNTY OF Jackson) SS.

On this _____ day of _____, 2000, before me, the undersigned, a Notary Public in and for said State, personally appeared WILLIAM EKEY, who acknowledged himself to be a Vice President of COMMERCE BANK, N.A., Kansas City, Missouri, a national banking association duly organized and existing under the laws of the United States of America, and that he as such Vice President being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the association by himself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

C. Audrain
Notary Public

My commission expires:
Notary Public, Notary Seal
STATE OF MISSOURI
Commissioned in Jackson County
My Commission Expires April 21, 2002

Duke Energy Audrain, LLC
Trust Indenture

EXHIBIT A

PROJECT SITE

A tract of land being part of the Southeast Quarter of Section 2, in Township 52 North, Range 6 West of the Fifth Principal Meridian, in the County of Audrain and State of Missouri, being more particularly described as follows: Starting at the Southeast corner of said Section 2, thence N 00°10'30" E. along the East line of said Section 2, 40.00 feet to a point on the North right-of-way line of State Route "P", also being the Southeast corner of a tract of land described in Deed recorded in Book 298, at Page 882 of the Deed Records of Audrain County, Missouri, the point of beginning; thence from the point of beginning, leaving the East line of said Section 2, and with the North right-of-way line of State Route "P", also being the South line of said tract described in Deed recorded in Book 298, at Page 882, N 89°19'00" W, 2022.10 feet; thence N 89°12'00" W, 299.55 feet; thence leaving the lines of said tract and said North right-of-way line, N 00°55'00" E, 1969.70 feet to a point on the North line of the tract described by Deed recorded in Book 298, at Page 882; thence with said North line, S 89°25'00" E, 2296.10 feet to a point on the East line of said tract, also being the East line of said Section 2; thence with said East line, S 00°10'30" W, 1974.35 feet to the point of beginning.

SUBJECT TO:

1. Agreement for Right-of-Way to Panhandle Eastern Pipe Line Company recorded in Book 114, Page 297 of the Deed Records of Audrain County, Missouri.
2. Easement to Union Electric Company recorded in Book 204, Page 271 of the Deed Records of Audrain County, Missouri.

EXHIBIT B

PROJECT IMPROVEMENTS

An electricity manufacturing facility with a stated capacity of up to 640 megawatts utilizing GE 7EA turbine generators and related generation equipment fueled primarily by natural gas.

EXHIBIT C

PROJECT EQUIPMENT

Fogging Water Storage Tank
Firewater Storage Tank
Water Wash Sumps
CTG Maintenance Sumps
Drain Sumps
NOx Water Storage Tank
Fuel Oil Storage Tanks
Combustion Turbine Generator (CTG)
Generator Compartment (By GE with CTG)
Turbine Compartment (By GE with CTG)
Accessory Module (By GE with CTG)
Air Processing Units (By GE with CTG)
Turbine Inlet Filter House (By GE with CTG)
Generator Air Filter House (By GE with CTG)
Gas Metering (By GE with CTG)
Gas Fuel Module (By GE with CTG)
Exhaust Frame Blower (By GE with CTG)
Exhaust Stack (By GE with CTG)
Lube Oil Demister (By GE with CTG)
Packaged Electrical & Electronic Control Center (PEECC)
Generator Auxiliaries Compartment (GAC) (By GE with CTG)
Fuel Gas Electric Heater (By GE with CTG)
Cooling Water Module (By GE with CTG)
Firewater Storage Tank Heater
Fogging Water Forwarding Pumps
Demineralizer Feed Pumps
Firewater Pump Diesel
Firewater Pump Electric
Firewater Jockey Pump
Raw Water Forwarding Pumps
Potable Water Pump Skid
Service Water Pump
Fogging System
Water Wash System (By GE with CTG)
Fuel Gas Separator (By GE with CTG)
Fuel Gas Scrubber (By GE with CTG)
Demineralized Water Treatment Plant
Fire Fighting Equipment
 Hydrants
 Monitors
 Hose houses
 Extinguishers
 Post Indicator Valves
Fire Alarm & Detection Panel and Equipment
Safety Shower & Eyewash Stations
CO2 Fire Protection System (By GE with CTG)
Sanitary Sewage Lift Station & Septic System
Continuous Emissions Monitor System