

BY-LAWS OF THE
CLASS BENEFIT FUND BOARD OF TRUSTEES

ARTICLE I
PURPOSES AND POWERS

Section 1. Purposes. On November 23, 2015, the United States District Court for the Southern District of Ohio, Eastern Division (the “*Court*”) in *Anthony Williams et al. v. Duke Energy International, Inc., et al*, Case No. 1:08-cv-00046 (the “*Action*”) approved the allocation of \$8,000,000 to provide the initial two years of funding for a Class Benefit Fund and associated reasonable fees and expenses of the Board of Trustees administering the Fund. The Class Benefit Fund shall be used to fund and promote energy-related programs designed to leverage settlement dollars thereby providing a direct benefit to Class Members as set forth in Exhibit 1 to the Stipulation of Class Action Settlement filed 10/21/2015 (the “*Stipulation*”), which are restrictions and guidelines for the types of projects and programs contemplated.

Section 2. The Class Benefit Fund. Plaintiffs' Counsel will seek the Court's approval of any attorney fees and expenses, incentive payments, Notice and Administration Costs, and Class Benefit Fund fees and expenses (all as defined in the Stipulation). Any monies remaining from the Action’s settlement fund after payment of these amounts shall be allocated and transferred to the Class Benefit Fund. The Class Benefit Fund will terminate, and the Board of Trustees will terminate, on the fifth anniversary of the Effective Date. On that date, any portion of the Class Benefit Fund that has not been allocated to an approved program as contemplated by Exhibit 1 of the Stipulation and approved by the Court shall revert to Duke Energy Corp.

Section 3. Definitions.

“*Defendants*”: Duke Energy Corporation and Duke Energy Ohio, Inc.

"*Effective Date*": the date upon which the judgment in the Action becomes final in accordance with the Stipulation.

“*Plaintiffs*”: Lead Plaintiffs Anthony Williams, BGR, Inc., Munafo, Inc. and Aikido of Cincinnati and all persons who are members of the Class as defined in the Court's Order dated March 13, 2014.

"*Plaintiffs' Counsel*": Markovits, Stock & DeMarco, LLC and Freking & Betz, LLC, who performed work on behalf of Plaintiffs in the Class Action

ARTICLE II
BOARD OF TRUSTEES

Section 1. Composition. The Board of Trustees of the Class Benefit Fund shall consist of the five individuals appointed by the Court in the Action, namely Brewster Rhoads, Mark Shanahan, Kathryn Merchant, Deborah Brooks, and Kevin Bright.

Section 2. Appointment of Trustees. The foregoing Trustees were chosen as follows: Plaintiffs' Counsel chose three of the Board's members, Defendants chose one of its members, and the Court chose the final member. In the event of the resignation of any Trustee from the Board or removal of the Trustee by the Court, replacements shall be chosen by the person or entity who selected the Board member being replaced. All appointments to the Board shall be approved by the Court. All Trustees must have expertise in the energy efficiency and/or the non-profit field, with particular knowledge of programs that could be funded to provide the most benefit to Class Members. The member selected by Defendants may be a Duke employee.

Section 3. Trustee Expenses. All Trustees will receive reasonable compensation and reimbursement of expenses from the Class Benefit Fund, as approved by the Court, with the exception of the member selected by Defendants, if a Duke employee.

Section 4. Term. Except as otherwise provided in these By-Laws, each Trustee shall hold office until the expiration of the Common Benefit Fund on the five year anniversary of the Effective Date.

Section 5. Resignation of Trustees. A Trustee may resign at any time by delivering his or her written resignation to Plaintiffs' Counsel and Defendants.

Section 6. Removal of Trustees. Any Trustee may be removed from office by order of the Court.

Section 7. Meetings of Trustees. Regular meeting of the Board of Trustees may be scheduled in advance by majority vote of the Trustees. Special meetings of the Board of Trustees may be called from time to time by any Trustee. All meetings of the Board of Trustees shall be held at the offices of the Class Benefit Fund, or at such other places within or without the State of Ohio, as the Board of Trustees may designate from time to time and as may be specified in the notice of meeting.

Section 8. Notice of Board Meetings. Notice of every meeting of the Board, whether or not regularly scheduled, shall be given to each Trustee by the Secretary, if any, or the person or persons calling the meeting. Unless a different type of notice is expressly required by any other provision of these By-Laws, notice of each meeting shall be given to each Trustee either by: (a) mailing a copy thereof by first class mail, postage prepaid, (b) personal delivery; or (c) email, not less than five (5) nor more than thirty (30) days before such meeting. A Trustee may waive notice of the time, place and purpose of any meeting of the Trustees, either (a) by

written waiver specifying the date and place of the meeting, signed and filed with or entered upon the records of the meeting either before or after such meeting or (b) by the attendance in person of such Trustee at such meeting, without protesting, prior to or at the commencement of such meeting.

Section 9. Quorum and Voting. A quorum of the Board of Trustees shall consist of a majority of the Trustees then in office present in person or via authorized communications equipment allowing all persons participating in the meeting to contemporaneously communicate with each other. At every meeting of the Board of Trustees at which a quorum is present, the Board may act by or through a majority of those in attendance in person or via authorized communications equipment. Trustees may not vote via proxies. If less than a quorum is present at any such meeting, the meeting may be adjourned to such time and place as those present shall determine. At any reconvened meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

Section 10. Action without Meeting. The Board of Trustees may act without a meeting upon the unanimous written consent of all Trustees then in office.

Section 11. Meetings Held Through Communications Equipment. In addition to meetings at which some of the participants are present via authorized communications equipment, meetings of the Board of Trustees may be held through communications equipment if all persons participating can hear each other, and such participation shall constitute attendance at such a meeting. "Authorized communications equipment" for purposes of the By-Laws means any communications equipment that provides a transmission, including, but not limited to, by telephone, telecopy, or any electronic means, from which it can be determined that the transmission was authorized by, and accurately reflects the intention of, the Trustee involved and, with respect to meetings, allows all persons participating in the meeting to contemporaneously communicate with each other.

Section 12. Organization. The Trustees shall appoint a Trustee as Chairman to preside at the meetings of the Board. In the absence of the Chairman, the Trustees shall appoint another Trustee to preside at the meeting. The Trustees shall also appoint a Secretary to record the minutes at all meetings of the Board (who need not be a Trustee), but in the absence of the Secretary, the presiding Chairman may appoint any person to act as Secretary at the meeting.

ARTICLE III ADMINISTRATIVE ASSISTANT

The Trustees may, in their discretion, delegate the administration of the Class Benefit Fund to a salaried staff member appointed by the Board of Trustees. He or she may have the title of Administrative Assistant or such other title as the Board of Trustees shall from time to time deem desirable and shall be responsible for carrying out the directions and policies of the Board of Trustees and for the over-all management and administration of the operations and

affairs of the Class Benefit Fund. He or she shall be employed for such term and shall have such other duties and responsibilities as the Board of Trustees may determine and shall receive such compensation as the Board of Trustees may establish, subject to the approval of the Court.

ARTICLE IV
CONTRACTS AND ADMINISTRATION OF FUNDS

Section 1. Powers. The Board of Trustees shall have such powers as are now or may hereafter be granted by the Court in the Action. The Board's decisions shall be subject to the approval of the Court and in the case of program formation, such approval shall be obtained prior to implementation. Any party to the Stipulation may challenge any decision made by the Board regarding the funding of programs and projects and may seek resolution of the issue by the Court. Once approved by the Court, such programs and projects shall be implemented expeditiously by the Board.

Section 2. Contracts, Grants, and Loans. With the approval of the Court for the initial program, the Board of Trustees may authorize any agent of the Class Benefit Fund to enter into any contract and provide any grant or loan made within the scope of the Court-approved program and execute and deliver any instrument in the name of and on behalf of the Class Benefit Fund, and such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. With the approval of the Court, all checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Class Benefit Fund shall be signed by such agent(s) of the Class Benefit Fund and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

Section 4. Use of Income and Principal. With the approval of the Court, any money or other property of the Class Benefit Fund, whether income or principal, shall be used or distributed by the Board of Trustees as it may from time to time determine, in accordance with the purposes set forth in Exhibit 1 of the Stipulation. The Board of Trustees may establish such mechanisms, criteria or committees as may be selected by it to effectuate said purposes. Without limitation upon the generality of the foregoing, with the approval of the Court, the Class Benefit Fund may be distributed for the purposes of paying all charges and expenses incidental to the care, management, and preservation of the Class Benefit Fund, including attorneys' and accountants' fees and expenses and reasonable compensation to any person or persons whom the Board may deem it advisable to employ in order to effectively carry out the purposes of the Class Benefit Fund.

ARTICLE V
BOOKS AND RECORDS

The Trustees shall supervise the Administrative Assistant's preparation and maintenance of correct and complete books and records of the Common Benefit Fund's assets, liabilities, receipts, and disbursements and the Secretary's preparation of minutes of their Board proceedings. All books and records of the Class Benefit Fund may be inspected by any Trustee, the Court, Plaintiffs' Counsel, Defendants, and their respective agents or attorneys, for any proper purpose at any reasonable time.

ARTICLE VI
INDEMNIFICATION AND IMMUNITY

To the maximum extent permitted by applicable law, the Common Benefit Fund shall indemnify any Trustee who is a party, or is threatened to be made a party, to any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, or proceeding, by reason of the fact that the person is or was a Trustee of the Common Benefit Fund, against expenses, including attorney's fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Common Benefit Fund, and, with respect to any criminal action or proceeding, if the person had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not create, of itself, a presumption that the person did not act in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Common Benefit Fund, and, with respect to any criminal action or proceeding, a presumption that the person had reasonable cause to believe that the person's conduct was unlawful. To the maximum extent permitted by applicable law, the Trustees shall have immunity from any civil, criminal, administrative, or investigative action, suit, or proceeding against them relating to their service as Trustees of the Common Benefit Fund.