

PPL CORP

FORM 8-K (Current report filing)

Filed 06/14/12 for the Period Ending 06/11/12

Address	TWO N NINTH ST ALLENTOWN, PA 181011179
Telephone	6107745151
CIK	0000922224
Symbol	PPL
SIC Code	4911 - Electric Services
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 11, 2012

**Commission File
Number**

1-11459

**Registrant; State of Incorporation;
Address and Telephone Number**

PPL Corporation

(Exact name of Registrant as specified in its charter)

(Pennsylvania)

Two North Ninth Street

Allentown, PA 18101-1179

(610) 774-5151

**IRS Employer
Identification No.**

23-2758192

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 2 – Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant and

Section 8 – Other Events

Item 8.01 Other Events

On June 11, 2012, PPL Capital Funding, Inc. (“PPL Capital Funding”) and PPL Corporation (“PPL”) entered into an Underwriting Agreement (the “Underwriting Agreement”) with BNP Paribas Securities Corp., Goldman, Sachs & Co., J.P. Morgan Securities LLC and UBS Securities LLC as representatives of the several underwriters named therein (the “Underwriters”), relating to the offering and sale by PPL Capital Funding of \$400,000,000 of its 4.20% Senior Notes due 2022 (the “Notes”). The Notes are fully and unconditionally guaranteed as to payment of principal, premium, if any, and interest under guarantees (the “Guarantees”) of PPL. A copy of the Underwriting Agreement is attached as Exhibit 1(a) to this Current Report.

The Notes were issued on June 14, 2012, under an indenture (the “Indenture”), dated as of November 1, 1997, among PPL Capital Funding, PPL and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N. A. (formerly known as The Chase Manhattan Bank)), as trustee, as supplemented by Supplemental Indenture No. 8 thereto (the “Supplemental Indenture”), dated as of June 14, 2012, and an Officers’ Certificate of PPL Capital Funding and PPL (the “Officers’ Certificate”), dated June 14, 2012, establishing the terms of the Notes. Copies of the Indenture, Supplemental Indenture and Officers’ Certificate are attached as Exhibits 4(a), 4(b) and 4(c), respectively, to this Current Report. The maturity date of the Notes is June 15, 2022, subject to early redemption at PPL Capital Funding’s option. PPL Capital Funding and PPL expect to loan the net proceeds from the sale of the Notes to subsidiaries of PPL, which will use the funds for general corporate purposes.

The Notes and the Guarantees were offered and sold under PPL’s and PPL Capital Funding’s joint Registration Statement on Form S-3 on file with the Securities and Exchange Commission (Registration Nos. 333-180410 and 333-180410-06).

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 1(a) Underwriting Agreement, dated June 11, 2012, among PPL Capital Funding, Inc., PPL Corporation and BNP Paribas Securities Corp., Goldman, Sachs & Co., J.P. Morgan Securities LLC and UBS Securities LLC as representatives of the several underwriters named therein.

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- 4(a) Indenture, dated as of November 1, 1997, among PPL Capital Funding, Inc., PPL Corporation and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N. A. (formerly known as The Chase Manhattan Bank)), as Trustee (incorporated by reference to Exhibit 4.1 to PPL Corporation's Current Report on Form 8-K (File No. 1-11459) dated November 12, 1997).
 - 4(b) Supplemental Indenture No. 8, dated as of June 14, 2012, among PPL Capital Funding, Inc., PPL Corporation and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N. A. (formerly known as The Chase Manhattan Bank)), as Trustee.
 - 4(c) Officers' Certificate, dated June 14, 2012, pursuant to Section 301 of the Indenture.
 - 5(a) Opinion of Frederick C. Paine, Senior Counsel of PPL Services Corporation.
 - 5(b) Opinion of Davis Polk & Wardwell LLP.
 - 23(a) Consent of Frederick C. Paine, Senior Counsel of PPL Services Corporation (included as part of Exhibit 5(a)).
 - 23(b) Consent of Davis Polk & Wardwell LLP (included as part of Exhibit 5(b)).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PPL CORPORATION

By: /s/ Russell R. Clelland

Russell R. Clelland
Assistant Treasurer

Dated: June 14, 2012

PPL CAPITAL FUNDING, INC.

\$400,000,000

4.20% Senior Notes due 2022

Fully and Unconditionally Guaranteed as to Payment under
Guarantees of

PPL CORPORATION

UNDERWRITING AGREEMENT

New York, New York
June 11, 2012

BNP Paribas Securities Corp.
Goldman, Sachs & Co.
J.P. Morgan Securities LLC
UBS Securities LLC

As Representatives of the Several Underwriters

c/o UBS Securities LLC,
677 Washington Boulevard,
Stamford, CT 06901.

Ladies and Gentlemen:

1. Introductory.

PPL Capital Funding, Inc., a Delaware corporation (the “Company”), a subsidiary of PPL Corporation, a Pennsylvania corporation (the “Guarantor”), proposes to issue and sell, and the several Underwriters named in Section 3 hereof (the “Underwriters”), for whom you are acting as representatives (the “Representatives”) propose, severally and not jointly, to purchase, upon the terms and conditions set forth herein, \$400,000,000 aggregate principal amount of the Company’s 4.20% Senior Notes due 2022 (the “Notes”) to be issued under an Indenture, dated as of November 1, 1997, among the Company, the Guarantor and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A. (formerly The Chase Manhattan Bank)), as trustee thereunder (the “Trustee”), heretofore supplemented and as to be further supplemented by Supplemental Indenture No. 8 thereto relating to the Notes (“Supplemental Indenture No. 8”) (as so supplemented, the “Indenture”). The Notes will be fully and unconditionally guaranteed as to payment of principal and interest by the Guarantor pursuant to guarantees of the Guarantor (the “Guarantees”). If the Representatives are the sole Underwriters, all references to Representatives shall be to the Underwriters.

The Company and the Guarantor have filed with the Securities and Exchange Commission (the “Commission”) a joint automatic shelf registration statement on Form S-3 (Nos. 333-180410 and 333-180410-06), including the related preliminary prospectus or prospectuses, which registration statement became effective upon filing under Rule 462(e) (“Rule 462(e)”) of the rules and regulations of the Commission (the “Securities Act Regulations”) under the Securities Act of 1933, as amended (the “Securities Act”). Such registration statement covers the registration of the Notes and the Guarantees under the Securities Act. Promptly after the date of this Agreement, the Company and the Guarantor will prepare and file a prospectus in accordance with the provisions of Rule 430B (“Rule 430B”) of the Securities Act Regulations and paragraph (b) of Rule 424 (“Rule 424(b)”) of the Securities Act Regulations. Any information included in such prospectus that was omitted from such registration statement at the time it became effective but that is deemed to be part of and included in such registration statement pursuant to Rule 430B is referred to as “Rule 430B Information.” Each prospectus used in connection with the offering of the Notes that omitted Rule 430B Information (other than a “free writing prospectus” as defined in Rule 405 of the Securities Act Regulations that has not been approved in writing by the Company, the Guarantor and the Representatives) and includes the documents incorporated by reference therein pursuant to Item 12 of Form S-3 is herein called a “preliminary prospectus.” Such registration statement, at any given time, including the amendments thereto to such time, the exhibits and any schedules thereto at such time, the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act at such time and the documents otherwise deemed to be a part thereof or included therein by the Securities Act Regulations, is herein called the “Registration Statement.” The Registration Statement at the time it originally became effective is herein called the “Original Registration Statement.” The final prospectus in the form first furnished to the Underwriters for use in connection with the offering of the Notes, including the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act as of the date hereof and any preliminary prospectuses that form a part thereof, is herein called the “Prospectus.” For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system (“EDGAR”).

All references in this Agreement to financial statements and schedules and other information which is “contained,” “included” or “stated” in the Registration Statement, any preliminary prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this

Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

2. Representations and Warranties.

The Company and the Guarantor jointly and severally represent and warrant to each Underwriter as of the date hereof, the Applicable Time referred to in Section 2(b) hereof and as of the Closing Date referred to in Section 5 hereof, and agree with each Underwriter as follows:

(a) (A) At the time of filing the Original Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (C) at the time the Company, the Guarantor or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Securities Act Regulations) made any offer relating to the Notes in reliance on the exemption of Rule 163 of the Securities Act Regulations or made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) and (D) at the date hereof, each of the Company and the Guarantor was and is eligible to register and issue the Notes and the Guarantees, as the case may be, as a “well-known seasoned issuer” as defined in Rule 405 of the Securities Act Regulations (“Rule 405”), including not having been and not being an “ineligible issuer” as defined in Rule 405. The Registration Statement is an “automatic shelf registration statement,” as defined in Rule 405, and the Notes and the Guarantees, since their registration on the Registration Statement, have been and remain eligible for registration by the Company and the Guarantor on a Rule 405 “automatic shelf registration statement.” Neither the Company nor the Guarantor has received from the Commission any notice pursuant to Rule 401(g)(2) of the Securities Act Regulations objecting to the use of the automatic shelf registration statement form.

(b) The Original Registration Statement became effective upon filing under Rule 462(e) of the Securities Act Regulations on March 28, 2012, and any post-effective amendment thereto also became effective upon filing under Rule 462(e). No stop order suspending the effectiveness of the Registration Statement and/or any notice objecting to its use has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company and the Guarantor, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with.

Any offer that is a written communication relating to the Notes and the Guarantees made prior to the filing of the Original Registration Statement by the Company, the Guarantor or any person acting on its behalf (within the meaning, for this paragraph only, of Rule 163(c) of the Securities Act Regulations) has been filed with the Commission in accordance with the exemption provided by Rule 163 of the Securities Act Regulations (“Rule 163”) and otherwise complied with the requirements of Rule 163, including without limitation the legending requirement, to qualify such offer for the exemption from Section 5(c) of the Securities Act provided by Rule 163.

At the respective times the Original Registration Statement and each amendment thereto became effective, at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2) of the Securities Act Regulations and at the Closing Date, the Registration Statement complied and will comply in all material respects with the requirements of the Securities Act and the Securities Act Regulations and the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”), and the rules and regulations thereunder, and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

Neither the Prospectus nor any amendments or supplements thereto, at the time the Prospectus or any such amendment or supplement was issued and at the Closing Date, included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Each preliminary prospectus (including the prospectus or prospectuses filed as part of the Original Registration Statement or any amendment thereto) complied when so filed in all material respects with the Securities Act Regulations and each preliminary prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

As of the Applicable Time, neither (x) the Issuer General Use Free Writing Prospectus(es) issued at or prior to the Applicable Time, the Statutory Prospectus and the Issuer Free Writing Prospectus, including the Final Term Sheet prepared and filed pursuant to Section 6(b) identified on Schedule A hereto, all considered together (collectively, the “General Disclosure Package”), nor (y) any individual Issuer Limited Use Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As of the time of the filing of the Final Term Sheet, the General Disclosure Package will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As used in this subsection and elsewhere in this Agreement:

“Applicable Time” means 3:40 p.m. (New York City time) on June 11, 2012 or such other time as agreed by the Company, the Guarantor and the Representatives.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the Securities Act Regulations (“Rule 433”), relating to the Notes that (i) is required to be filed with the Commission by the Company, (ii) is a “road show that is a written communication” within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission or (iii) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Notes or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company and the Guarantor’s records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being specified in Schedule A hereto.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

“Permitted Free Writing Prospectus” means any free writing prospectus consented to in writing by the Company, the Guarantor and the Representatives. For the avoidance of doubt, any free writing prospectus that is not consented to in writing by the Company and the Guarantor does not constitute a Permitted Free Writing Prospectus and will not be an Issuer Free Writing Prospectus.

“Statutory Prospectus” as of any time means the prospectus relating to the Notes and the Guarantees that is included in the Registration Statement immediately prior to that time, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof.

Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Notes and the Guarantees or until any earlier date that the Company and the Guarantor notified or notifies the Representatives as described in Section 6(g), did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified.

The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus made in reliance upon and in conformity with written information furnished to the Company and the Guarantor by any Underwriter through the Representatives expressly for use therein or to any statements in or omissions from the Statement of Eligibility of the Trustee under the Indenture. At the effective date of the Registration Statement, the Indenture conformed in all material respects to the Trust Indenture Act and the rules and regulations thereunder;

(c) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, has the corporate power and authority to own its property and to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement, the Indenture and the Notes; and the Company is and will be treated as a consolidated subsidiary of the Guarantor pursuant to generally accepted accounting principles;

(d) The Guarantor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the Commonwealth of Pennsylvania with corporate power and authority to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and to perform its obligations under this Agreement, the Indenture and the Guarantees and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Guarantor and its subsidiaries, taken as a whole;

(e) The Notes have been duly authorized by the Company and, when issued, authenticated and delivered in the manner provided for in the Indenture and delivered against payment of the consideration therefor, will constitute valid and binding obligations of the Company enforceable in accordance with their terms, except to the extent limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or moratorium laws or by other laws now or hereafter

in effect relating to or affecting the enforcement of creditors' rights and by general equitable principles (regardless of whether considered in a proceeding in equity or at law), an implied covenant of good faith and fair dealing and consideration of public policy, and federal or state securities law limitations on indemnification and contribution (the "Enforceability Exceptions"); the Notes will be in the forms established pursuant to, and entitled to the benefits of, the Indenture; and the Notes will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus;

(f) The Guarantees have been duly authorized and, when duly executed pursuant to the Indenture and issued and delivered in the manner provided for in the Indenture, will constitute valid and binding obligations of the Guarantor enforceable in accordance with their terms except to the extent limited by the Enforceability Exceptions; the Guarantees will be in the form established pursuant to the Indenture; and the Guarantees will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus;

(g) The Indenture, including Supplemental Indenture No. 8, has been duly authorized by the Company and, when executed and delivered by the Company and the Guarantor and assuming due authorization, execution and delivery by the Trustee, will constitute a valid and legally binding obligation of the Company and the Guarantor enforceable against the Company and the Guarantor in accordance with its terms, except to the extent limited by the Enforceability Exceptions; the Indenture conforms and will conform in all material respects to the statements relating thereto contained in the Prospectus; and at the effective date of the Registration Statement, the Indenture was duly qualified under the Trust Indenture Act;

(h) No consent, approval, authorization, order, registration or qualification of or with any federal, state or local governmental agency or body or any federal, state or local court is required to be obtained by the Company or the Guarantor in connection with their execution and delivery of this Agreement, the Indenture, the Notes or the Guarantees, or the performance by the Company and the Guarantor of their obligations hereunder or thereunder, except such as have been obtained and such as may be required under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Notes by the Underwriters in the manner contemplated herein and in the Prospectus;

(i) Neither the execution and delivery of this Agreement or the Supplemental Indenture No. 8, nor the issue and sale of the Notes, nor the issue of the Guarantees, nor the consummation of any of the transactions herein or therein contemplated, will violate any law or any regulation, order, writ, injunction or decree of any court or governmental instrumentality applicable to the Company or the Guarantor, or result in a breach or violation of any of the terms and provisions

of, or constitute a default under, the Certificate of Incorporation or by-laws of the Company or the Articles of Incorporation or by-laws of the Guarantor, or any material agreement or instrument to which the Guarantor or any of its subsidiaries is a party or by which it is bound, except in each case for such violations, breaches or defaults that would not in the aggregate have a material adverse effect on the ability of the Company and the Guarantor to perform their obligations hereunder or thereunder;

(j) The consolidated financial statements of the Guarantor and its subsidiaries, together with the related notes and schedules, each set forth or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related published rules and regulations thereunder; such audited financial statements have been prepared in all material respects in accordance with generally accepted accounting principles consistently applied throughout the periods involved, except as disclosed therein; and no material modifications are required to be made to the unaudited interim financial statements for them to be in conformity with generally accepted accounting principles;

(k) This Agreement has been duly and validly authorized, executed and delivered by the Company and the Guarantor;

(l) Since the respective dates as of which information is given in the General Disclosure Package and the Prospectus, except as otherwise stated therein or contemplated thereby, there has been no event or occurrence that would result in a material adverse change in the financial position or results of operations of the Guarantor and its subsidiaries taken as a whole;

(m) Neither the Company nor the Guarantor is, and after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Prospectus, will not be, an “investment company” as such term is defined in the Investment Company Act of 1940, as amended;

(n) Ernst & Young LLP, who have audited certain financial statements of the Guarantor and its consolidated subsidiaries and issued their report with respect to the audited consolidated financial statements and schedule included and incorporated by reference in the General Disclosure Package and the Prospectus, is an independent registered public accounting firm with respect to the Guarantor during the periods covered by their reports within the meaning of the Securities Act and the Securities Act Regulations and the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”).

(o) PricewaterhouseCoopers LLP, who have audited certain financial statements of LG&E and KU Energy LLC and issued their report with respect to such audited financial statements and schedules included and incorporated by

reference in the General Disclosure Package and the Prospectus, is an independent accountant with respect to LG&E and KU Energy LLC during the periods covered by their reports under Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants (“AICPA”) and its rulings and interpretations;

(p) PricewaterhouseCoopers LLP, who have audited certain financial statements of Central Networks East plc and Central Networks Group and issued their report with respect to such audited financial statements and schedules included and incorporated by reference in the General Disclosure Package and the Prospectus, is an independent accountant with respect to Central Networks East plc and Central Networks Group during the periods covered by their reports under Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants (“AICPA”) and its rulings and interpretations;

(q) The Guarantor maintains systems of internal accounting controls sufficient to provide reasonable assurance that transactions are executed in accordance with management’s authorizations and transactions are recorded as necessary to permit preparation of financial statements. The Guarantor maintains “disclosure controls and procedures” as such term is defined in Rule 13a-15(e) under the Exchange Act;

(r) The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission’s rules and guidelines applicable thereto;

(s) None of the Guarantor, any of its subsidiaries or, to the knowledge of the Guarantor, any director, officer, agent, employee or affiliate of the Guarantor or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the “FCPA”), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Guarantor, its subsidiaries and, to the knowledge of the Guarantor, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

(t) The operations of the Guarantor and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the “Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Guarantor or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of the Guarantor, threatened; and

(u) None of the Guarantor or any of its subsidiaries or, to the knowledge of the Guarantor, any director, officer, agent, employee or affiliate of the Guarantor or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”); and the Company and the Guarantor will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds, to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

Each of you, as one of the several Underwriters, represents and warrants to, and agrees with, the Company and the Guarantor, their respective directors and such of their respective officers as shall have signed the Registration Statement, and to each other Underwriter, that the information set forth in Schedule B hereto furnished to the Company and the Guarantor by or through you or on your behalf expressly for use in the Registration Statement or the Prospectus does not contain an untrue statement of a material fact and does not omit to state a material fact in connection with such information required to be stated therein or necessary to make such information not misleading.

3. Purchase and Sale of Notes.

On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein contained, the Company agrees to sell to the Underwriters, and the Underwriters agree, severally and not jointly, to purchase from the Company, at a purchase price of 99.018% of the principal amount thereof, plus accrued interest, if any, from the date of the first authentication of the Notes to the Closing Date (as hereinafter defined), the respective principal amounts of the Notes set forth below opposite the names of such Underwriters.

<u>Underwriters</u>	<u>Principal Amount of Notes</u>
BNP Paribas Securities Corp.	\$ 80,000,000
Goldman, Sachs & Co.	80,000,000
J.P. Morgan Securities LLC	80,000,000
UBS Securities LLC	80,000,000
BNY Mellon Capital Markets, LLC	20,000,000
KeyBanc Capital Markets Inc.	20,000,000
Mitsubishi UFJ Securities (USA), Inc.	20,000,000
Santander Investment Securities Inc.	20,000,000
Total	<u>\$400,000,000</u>

4. Public Offering.

The several Underwriters agree that as soon as practicable, in their judgment, they will make a public offering of their respective portions of the Notes in accordance with the terms set forth in the Prospectus.

5. Delivery and Payment.

(a) The Notes will be represented by one or more definitive global securities in book-entry form which will be deposited by or on behalf of the Company with The Depository Trust Company (“DTC”) or its designated custodian. The Company will deliver the Notes to you against payment by you of the purchase price therefor (such delivery and payment herein referred to as the “Closing”) by wire transfer of immediately available funds to the Company’s account (“PPL Capital Funding, Inc.” No. 2-963-288) at The Bank of New York Mellon (ABA Routing Number 031000037) by 10:00 A.M., New York Time, on the Closing Date. Such payment shall be made upon delivery of the Notes for the account of UBS Securities LLC at DTC. The Notes so to be delivered will be in fully registered form in such authorized denominations as established pursuant to the Indenture. The Company will make the Notes available for inspection by you at the office of The Bank of New York Mellon, 101 Barclay Street, 8th Floor, New York, New York 10286, Attention: Corporate Trust not later than 10:00 A.M., New York Time, on the business day next preceding the Closing Date.

(b) Each Underwriter represents and agrees that, unless it obtains the prior written consent of the Company and the Representatives, it has not and will not make any offer relating to the Notes that would constitute or would use an “issuer free writing prospectus” as defined in Rule 433 or that would otherwise constitute a “free writing prospectus” as defined in Rule 405 of the Securities Act Regulations that would be required to be filed with the Commission, other than information contained in the Final Term Sheet prepared in accordance with Section 6(b).

The term “Closing Date” wherever used in this Agreement shall mean June 14, 2012, or such other date (i) not later than the seventh full business day thereafter as may be agreed upon in writing by the Company and you, or (ii) as shall be determined by postponement pursuant to the provisions of Section 10 hereof.

6. Certain Covenants of the Company and the Guarantor.

Each of the Company and the Guarantor covenants and agrees with the several Underwriters as follows:

(a) Subject to Section 6(b), to comply with the requirements of Rule 430B and to notify the Representatives immediately, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement or new registration statement relating to the Notes shall become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or the filing of a new registration statement or any amendment or supplement to the Prospectus or any document incorporated by reference therein or otherwise deemed to be a part thereof or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or such new registration statement and/or any notice objecting to its use or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Notes for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(e) of the Securities Act concerning the Registration Statement and (v) if the Company or the Guarantor becomes the subject of a proceeding under Section 8A of the Securities Act in connection with the offering of the Notes and the Guarantees. The Company and the Guarantor will effect the filings required under Rule 424(b), in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)). The Company and the Guarantor will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment. The Company and the Guarantor shall pay the required Commission filing fees relating to the Notes within the time required by Rule 456(b)(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations (including, if applicable, by updating the “Calculation of Registration Fee” table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b)).

(b) To give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement or new registration statement relating to the Notes or any amendment, supplement or revision to either any

preliminary prospectus (including any prospectus included in the Original Registration Statement or amendment thereto at the time it became effective) or to the Prospectus, whether pursuant to the Securities Act, the Exchange Act or otherwise, the Company and the Guarantor will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company and the Guarantor will give the Representatives notice of their intention to make any such filing pursuant to the Exchange Act or Exchange Act Regulations from the Applicable Time to the Closing Date and will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company and the Guarantor will prepare a final term sheet (the "Final Term Sheet") substantially in the form attached as Annex I hereto reflecting the final terms of the Notes and shall file such Final Term Sheet as an "Issuer Free Writing Prospectus" prior to the close of business two Business Days after the date hereof ("Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in The City of New York); *provided* that the Company and the Guarantor shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives shall reasonably object in writing.

(c) To furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the Securities Act, as many copies of the Prospectus and any amendments and supplements thereto as each Underwriter may reasonably request.

(d) That before amending and supplementing the preliminary prospectus or the Prospectus, they will furnish to the Representatives a copy of each such proposed amendment or supplement and that it will not use any such proposed amendment or supplement to which the Representatives reasonably object in writing.

(e) To use their best efforts to qualify the Notes and to assist in the qualification of the Notes by you or on your behalf for offer and sale under the securities or "blue sky" laws of such jurisdictions as you may designate, to continue such qualification in effect so long as required for the distribution of the Notes and to reimburse you for any expenses (including filing fees and fees and disbursements of counsel) paid by you or on your behalf to qualify the Notes for offer and sale, to continue such qualification, to determine its eligibility for investment and to print any preliminary or supplemental "blue sky" survey or legal investment memorandum relating thereto; *provided* that neither the Company nor the Guarantor shall be required to qualify as a foreign corporation

in any State, to consent to service of process in any State other than with respect to claims arising out of the offering or sale of the Notes, or to meet any other requirement in connection with this paragraph (e) deemed by the Company and the Guarantor to be unduly burdensome;

(f) To promptly deliver to you a true and correct copy of the Registration Statement as originally filed and of all amendments thereto heretofore or hereafter filed, including conformed copies of all exhibits except those incorporated by reference, and such number of conformed copies of the Registration Statement (but excluding the exhibits), each related preliminary prospectus, the Prospectus, and any amendments and supplements thereto, as you may reasonably request;

(g) If at any time prior to the completion of the sale of the Notes by the Underwriters (as determined by the Representatives), any event occurs as a result of which the Prospectus, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Prospectus to comply with the Securities Act, the Company and the Guarantor promptly (i) will notify the Representatives of any such event; (ii) subject to the requirements of paragraph (b) of this Section 6, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Prospectus to the several Underwriters without charge in such quantities as they may reasonably request; *provided* that the expense of preparing and filing any such amendment or supplement (i) that is necessary in connection with such a delivery of a prospectus more than nine months after the date of this Agreement or (ii) that relates solely to the activities of any Underwriter shall be borne by the Underwriter or Underwriters or the dealer or dealers requiring the same; and *provided further* that you shall, upon inquiry by the Company and the Guarantor, advise the Company and the Guarantor whether or not any Underwriter or dealer which shall have been selected by you retains any unsold Notes and, for the purposes of this subsection (g), the Company and the Guarantor shall be entitled to assume that the distribution of the Notes has been completed when they are advised by you that no Underwriter or such dealer retains any Notes. If at any time following issuance of an Issuer Free Writing Prospectus, there occurs an event or development as a result of which such Issuer Free Writing Prospectus would conflict with the information contained in the Registration Statement (or any other registration statement related to the Notes) or the Statutory Prospectus or any preliminary prospectus would include an untrue statement of a material fact or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company and the Guarantor will promptly notify the Representatives and will promptly amend or supplement, at their own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission;

(h) The Guarantor will, as soon as practicable, make generally available to its security holders an earnings statement covering a period of at least twelve months beginning after the “effective date of the registration statement” within the meaning of Rule 158 under the Securities Act which will satisfy the provisions of Section 11(a) of the Securities Act;

(i) The Company and the Guarantor will pay or bear (i) all expenses in connection with the matters herein required to be performed by the Company or the Guarantor, including all expenses (except as provided in Section 6(g) above) in connection with the preparation and filing of the Registration Statement, the General Disclosure Package and the Prospectus, and any amendment or supplement thereto, and the furnishing of copies thereof to the Underwriters, and all audits, statements or reports in connection therewith, and all expenses in connection with the issue and delivery of the Notes and the related Guarantees to the Underwriters at the place designated in Section 5 hereof, any fees and expenses relating to the eligibility and issuance of the Notes in book-entry form and the cost of obtaining CUSIP or other identification numbers for the Notes, all federal and state taxes (if any) payable (not including any transfer taxes) upon the original issue of the Notes or the related Guarantees; (ii) all expenses in connection with the printing, reproduction and delivery of this Agreement and the printing, reproduction and delivery of any preliminary prospectus and each Prospectus, and (except as provided in Section 6(g) above) any amendment or supplement thereto, to the Underwriters; (iii) any and all fees payable in connection with the rating of the Notes; and (iv) the reasonable fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Indenture and the Notes;

(j) During the period from the date of this Agreement through the Closing Date, the Company or the Guarantor shall not, without the Representatives’ prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any Notes, any security convertible into or exchangeable into or exercisable for Notes or any debt securities substantially similar to the Notes (except for the Notes issued pursuant to this Agreement); and

(k) Each of the Company and the Guarantor represents and agrees that, unless it obtains the prior consent of the Representatives (such consent not to be unreasonably withheld), it has not made and will not make any offer relating to the Notes that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405 of the Securities Act Regulations, required to be filed with the Commission. Each of the Company and the Guarantor represents that it has treated or agrees that it will

treat each Permitted Free Writing Prospectus as an “issuer free writing prospectus,” as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping in accordance with the Securities Act Regulations.

7. Conditions of Underwriters’ Obligations.

The obligations of the several Underwriters to purchase and pay for the Notes on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Company and the Guarantor contained herein at the date of this Agreement and the Closing Date, to the accuracy of the statements of the Company and the Guarantor made in any certificates pursuant to the provisions hereof, to the performance by the Company and the Guarantor of its obligations hereunder and to the following additional conditions:

(a) You shall have received letters, dated the date of this Agreement and the Closing Date, in form and substance reasonably satisfactory to the Representatives, from Ernst & Young LLP, independent registered public accountants, containing statements and information of the type ordinarily included in accountants’ “comfort letters”, with respect to the Guarantor and its consolidated subsidiaries, including the Company. The procedures described in such letters were prescribed by the Underwriters and are sufficient to satisfy the condition in this Section 7(a).

(b) You shall have received letters, dated the date of this Agreement and the Closing Date, in form and substance reasonably satisfactory to the Representatives, from PricewaterhouseCoopers LLP, independent registered public accountants, containing statements and information of the type ordinarily included in accountants’ “comfort letters”, with respect to LG&E and KU Energy LLC. The procedures described in such letters were prescribed by the Underwriters and are sufficient to satisfy the condition in this Section 7(b).

(c) You shall have received letters, dated the date of this Agreement and the Closing Date, in form and substance reasonably satisfactory to the Representatives, from PricewaterhouseCoopers LLP, independent accountants, containing statements and information of the type ordinarily included in accountants’ “comfort letters”, with respect to Central Networks East plc and Central Networks Group. The procedures described in such letters were prescribed by the Underwriters and are sufficient to satisfy the condition in this Section 7(c).

(d) The Registration Statement shall have become effective and on the Closing Date no stop order suspending the effectiveness of the Registration

Statement and/or any notice objecting to its use shall have been issued under the Securities Act or proceedings therefor initiated or threatened by the Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Underwriters. A prospectus containing the Rule 430B Information shall have been filed with the Commission in the manner and within the time period required by Rule 424(b) without reliance on Rule 424(b)(8) (or a post-effective amendment providing such information shall have been filed and become effective in accordance with the requirements of Rule 430B). The Company and the Guarantor shall have paid the required Commission filing fees relating to the Notes within the time period required by Rule 456(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations and, if applicable, shall have updated the "Calculation of Registration Fee" table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b).

(e) Subsequent to the execution of this Agreement, there shall not have occurred (i) any material adverse change not contemplated by the Prospectus (as it exists on the date hereof) in or affecting particularly the business or properties of the Guarantor or the Company which, in your judgment, materially impairs the investment quality of the Notes; (ii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Company or the Guarantor on any exchange or in the over-the-counter market; (iii) a general banking moratorium declared by federal or New York authorities or a material disruption in securities settlement, payment or clearance services in the United States; (iv) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in your reasonable judgment, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical and inadvisable to proceed with completion of the sale of and payment for the Notes and you shall have made a similar determination with respect to all other underwritings of debt securities of utility or energy companies in which you are participating and have a contractual right to make such a determination; or (v) any decrease in the ratings of the Notes by Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. or Fitch, Inc. or any such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Notes.

(f) You shall have received from Frederick C. Paine, Esq., Senior Counsel, or such other counsel for the Company and the Guarantor as may be acceptable to you, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, to the effect that:

(i) The Guarantor is validly existing as a corporation in good standing under the laws of the Commonwealth of Pennsylvania, with corporate power and authority to own its properties and conduct its business as described in the General Disclosure Package and the Prospectus;

(ii) The Guarantees are in the form established pursuant to the Indenture, have been duly authorized, executed and delivered by the Guarantor, and, assuming due authentication and delivery by the Trustee of the Notes on which the Guarantees are endorsed and delivery of such Notes against payment therefor, will constitute valid and binding obligations of the Guarantor, as guarantor, enforceable in accordance with their terms, except to the extent limited by the Enforceability Exceptions;

(iii) The Indenture has been duly authorized, executed and delivered by the Company and the Guarantor, and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding obligation of the Company and the Guarantor, enforceable against the Company and the Guarantor in accordance with its terms, except to the extent limited by the Enforceability Exceptions;

(iv) The descriptions in the Registration Statement, the General Disclosure Package and the Prospectus of statutes, legal and governmental proceedings and contracts and other documents are accurate and fairly present the information required to be shown; and (1) such counsel does not know of any legal or governmental proceedings required to be described in the Registration Statement, any Statutory Prospectus or the Prospectus which are not described, or of any contracts or documents of a character required to be described in the Registration Statement, any Statutory Prospectus or the Prospectus or to be filed as exhibits to the Registration Statement which are not described and filed as required and (2) nothing has come to the attention of such counsel that would lead such counsel to believe either that the Registration Statement, as of the date of this Agreement, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the General Disclosure Package, as of the Applicable Time, or the Prospectus, as supplemented, as of the date of this Agreement, and as it shall have been amended or supplemented, as of the Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being

understood that such counsel need express no opinion as to (x) the financial statements and schedules and other financial data contained or incorporated by reference in, or omitted from, the Registration Statement, the General Disclosure Package or the Prospectus or (y) information relating to the Underwriters and furnished in writing to the Company as set forth in Schedule B to this Agreement by or on behalf of the Underwriters through the Representatives specifically for inclusion herein;

(v) This Agreement has been duly authorized, executed and delivered by the Company and the Guarantor;

(vi) No approval, authorization, consent or other order of any public board or body of the United States or the Commonwealth of Pennsylvania (except for the registration of the Notes and the Guarantees under the Securities Act and the qualification of the Indenture under the Trust Indenture Act, which have occurred, and other than in connection or compliance with the provisions of the state securities or “blue sky” laws of any jurisdiction as to which such counsel need express no opinion) is legally required for the authorization of the issuance and sale of the Notes with the Guarantees endorsed thereon; and

(vii) The execution and delivery by the Company and the Guarantor of, and the performance by each of the Company and the Guarantor of its obligations under, this Agreement, the Indenture, the Notes, and the Guarantees will not contravene (i) the Certificate of Incorporation or By-laws of the Company or the Amended and Restated Articles of Incorporation or Amended and Restated By-laws of the Guarantor, (ii) to the best of such counsel’s knowledge, any indenture, bank loan or credit agreement or other evidence of indebtedness binding upon the Company or the Guarantor or any agreement or other instrument binding upon the Company or the Guarantor that, in the case of any such agreement specified in this clause (ii) is material to the Company or the Guarantor, or (iii) to the best of such counsel’s knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company or the Guarantor.

In rendering such opinion, such counsel may rely as to matters governed by New York law upon the opinion of Davis Polk & Wardwell LLP referred to in Section 7(g) of this Agreement.

(g) You shall have received from Davis Polk & Wardwell LLP, counsel to the Company and the Guarantor, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, to the effect that:

(i) The Company is validly existing as a corporation in good standing under the laws of the State of Delaware;

(ii) The Indenture has been duly authorized, executed and delivered by the Company and the Guarantor and is a valid and binding agreement of the Company and the Guarantor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that such counsel expresses no opinion as to the enforceability of any waiver of rights under any usury or stay law;

(iii) The Notes have been duly authorized and executed by the Company. Assuming the due authentication of the Notes by the Trustee in accordance with the provisions of the Indenture and delivery of the Notes to and payment for the Notes by the Underwriters pursuant to this Agreement, the Notes will be valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, and will be entitled to the benefits of the Indenture pursuant to which such Notes are to be issued, provided that such counsel expresses no opinion as to the enforceability of any waiver of rights under any usury or stay law;

(iv) The Guarantees, when the Notes (and the Guarantees endorsed thereon) are executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to this Agreement, will be valid and binding obligations of the Guarantor, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability; provided that such counsel expresses no opinion as to the enforceability of any waiver of rights under any usury or stay law;

(v) This Agreement has been duly authorized, executed and delivered by the Company and the Guarantor;

(vi) The Company is not, and after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the General Disclosure Package and the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(vii) No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in such counsel's experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Indenture, the Notes and this Agreement (collectively, the "Documents") is required for the execution, delivery and performance by the Company or the Guarantor of its respective obligations under the Documents, except such as may be required under federal or state securities or Blue Sky laws as to which such counsel expresses no opinion.

(viii) The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Documents will not contravene the certificate of incorporation or by-laws of the Company.

(ix) The statements included in the General Disclosure Package under the caption "Description of the Notes", as supplemented by the information set forth in the Final Term Sheet, and in the Prospectus under the caption "Description of the Notes" insofar as they summarize provisions of the Indenture and the Notes fairly summarize these provisions in all material respects; and

(x) (1) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; and (2) nothing has come to the attention of such counsel that would cause such counsel to believe that, insofar as relevant to the offering of the Notes, (i) on the date of this Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) at the Applicable Time, the General Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (iii) the Prospectus as of the date of this Agreement or as of the Closing Date contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the financial statements or financial schedules or other financial or accounting data included in the Registration Statement, the General Disclosure Package, the Prospectus or the Statement of Eligibility of the Trustee on Form T-1, or as to the conveyance of the General Disclosure Package or the information contained therein to investors.

In rendering such opinion, Davis Polk & Wardwell LLP may rely as to matters governed by Pennsylvania law upon the opinion of Frederick C. Paine, Esq. or such other counsel referred to in Section 7(f).

(h) You shall have received from Sullivan & Cromwell LLP, counsel for the Underwriters, such opinion or opinions in form and substance satisfactory to you, dated the Closing Date, with respect to matters as you may require, and the Company shall have furnished to such counsel such documents as they may request for the purpose of enabling them to pass upon such matters. In rendering such opinion or opinions, Sullivan & Cromwell LLP may rely as to matters governed by Pennsylvania law upon the opinion of Frederick C. Paine, Esq. or such other counsel referred to above.

(i) You shall have received a certificate, dated the Closing Date, of the Controller and the Treasurer or Assistant Treasurer of the Guarantor, and of the President, the Treasurer or the Assistant Treasurer of the Company, in which such officers, to the best of their knowledge after reasonable investigation, shall state that (i) the representations and warranties of the Company or the Guarantor, as the case may be, in this Agreement are true and correct in all material respects as of the Closing Date, (ii) the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date, (iii) no stop order suspending the effectiveness of the Registration Statement and/or any notice objecting to its use has been issued, and no proceedings for that purpose have been instituted or are pending by the Commission, and (iv) subsequent to the date of the latest financial statements in the Prospectus, there has been no material adverse change in the financial position or results of operations of the Guarantor except as set forth or contemplated in the Prospectus or as described in such certificate.

(j) You shall have received from the Company a copy of the rating letters from Standard & Poor's Ratings Service, a Division of The McGraw-Hill Companies, Moody's Investors Service, Inc. and Fitch, Inc. assigning ratings on the Notes as set forth in the General Disclosure Package.

The Company and the Guarantor will furnish you as promptly as practicable after the Closing Date with such conformed copies of such opinions, certificates, letters and documents as you may reasonably request.

In case any such condition shall not have been satisfied, this Agreement may be terminated by you upon notice in writing or by telegram to the Company without liability or obligation on the part of the Company and the Guarantor or any Underwriter, except as provided in Sections 6(e), 6(i), 9, 11 and 14 hereof.

8. Conditions of the Obligations of the Company and the Guarantor.

The obligations of the Company to sell and deliver the Notes and of the Guarantor to deliver the Guarantees on the Closing Date are subject to the condition that at the Closing Date no stop order suspending the effectiveness of the Registration Statement and/or any notice objecting to its use shall be in effect or proceeding therefor shall have been instituted or, to the knowledge of the Company or the Guarantor, shall be contemplated.

If such condition shall not have been satisfied, then each of the Company and the Guarantor shall be entitled, by notice in writing or by telegram to you, to terminate this Agreement without any liability on the part of the Company, the Guarantor or any Underwriter, except as provided in Sections 6(i), 9, 11 and 13 hereof.

9. Indemnification and Contribution.

(a) The Company and the Guarantor agree that they will jointly and severally indemnify and hold harmless each Underwriter and the officers, directors, partners, members, employees, agents and affiliates of each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act, against any loss, expense, claim, damage or liability to which, jointly or severally, such Underwriter or such controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading and, except as hereinafter in this Section 9 provided, the Company and the Guarantor agree to reimburse each indemnified party for any reasonable legal or other expenses as incurred by such indemnified party in connection with investigating or defending any such loss, expense, claim, damage or liability; *provided, however*, that neither the Company nor the Guarantor shall be liable in any such case to the extent that any such loss, expense, claim, damage or liability arises out of or is based on an untrue statement or alleged untrue statement or omission or alleged omission made in any such document in reliance upon, and in conformity with, written information furnished to the Company and the Guarantor as set forth in Schedule B hereto by or through you on behalf of any Underwriter expressly for use in any such document or arises out of, or is based on, statements or omissions from the part of the Registration Statement which shall constitute the Statement of Eligibility under the Trust Indenture Act of the Trustee under the Indenture.

(b) Each Underwriter, severally and not jointly, agrees that it will indemnify and hold harmless the Company and the Guarantor and their respective officers and directors and officers of PPL Services Corporation who are named in the Registration Statement, and each of them, and each person, if any, who controls the Company and the Guarantor within the meaning of Section 15 of the Securities Act, against any loss, expense, claim, damage or liability to which it or they may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based on any untrue statement or alleged untrue statement of any material fact contained in the Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, and only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any such documents in reliance upon, and in conformity with, written information furnished to the Company and the Guarantor as set forth in Schedule B hereto by or through you on behalf of such Underwriter expressly for use in any such document; and, except as hereinafter in this Section 9 provided, each Underwriter, severally and not jointly, agrees to reimburse the Company and the Guarantor and their respective officers and directors and officers of PPL Services Corporation who are named in the Registration Statement, and each of them, and each person, if any, who controls the Company and the Guarantor within the meaning of Section 15 of the Securities Act, for any reasonable legal or other expenses incurred by it or them in connection with investigating or defending any such loss, expense, claim, damage or liability.

(c) Upon receipt of notice of the commencement of any action against an indemnified party, the indemnified party shall, with reasonable promptness, if a claim in respect thereof is to be made against an indemnifying party under its agreement contained in this Section 9, notify such indemnifying party in writing of the commencement thereof; but the omission so to notify an indemnifying party shall not relieve it from any liability which it may have to the indemnified party otherwise than under subsection (a) or (b) of this Section 9. In the case of any such notice to an indemnifying party, the indemnifying party shall be entitled to participate at its own expense in the defense, or if it so elects, to assume the defense, of any such action, but, if it elects to assume the defense, such defense shall be conducted by counsel chosen by it and satisfactory to the indemnified party and to any other indemnifying party that is a defendant in the suit. In the event that any indemnifying party elects to assume the defense of any such action and retain such counsel, the indemnified party shall bear the fees and expenses of any additional counsel retained by it unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall

have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and the representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. No indemnifying party shall be liable in the event of any settlement of any such action effected without its consent. Each indemnified party agrees promptly to notify each indemnifying party of the commencement of any litigation or proceedings against it in connection with the issue and sale of the Notes.

(d) If any Underwriter or person entitled to indemnification by the terms of subsection (a) of this Section 9 shall have given notice to the Company and the Guarantor of a claim in respect thereof pursuant to subsection (c) of this Section 9, and if such claim for indemnification is thereafter held by a court to be unavailable for any reason other than by reason of the terms of this Section 9 or if such claim is unavailable under controlling precedent, such Underwriter or person shall be entitled to contribution from the Company and the Guarantor for liabilities and expenses, except to the extent that contribution is not permitted under Section 11(f) of the Securities Act. In determining the amount of contribution to which such Underwriter or person is entitled, there shall be considered the relative benefits received by such Underwriter or person and the Company and the Guarantor from the offering of the Notes that were the subject of the claim for indemnification (taking into account the portion of the proceeds of the offering realized by each), the Underwriter or person's relative knowledge and access to information concerning the matter with respect to which the claim was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances. The Company, the Guarantor and the Underwriters agree that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation (even if the Underwriters were treated as one entity for such purpose).

(e) No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 9 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party and all liability arising out of such litigation, investigation, proceeding or claim, and (ii) does not include a statement as to or an admission of fault, culpability or the failure to act by or on behalf of any indemnified party.

(f) The indemnity and contribution provided for in this Section 9 and the representations and warranties of the Company, the Guarantor and the several Underwriters set forth in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter or the Company, the Guarantor or their respective directors or officers, (ii) the acceptance of any Notes and payment therefor under this Agreement, and (iii) any termination of this Agreement.

10. Default of Underwriters.

If any Underwriter or Underwriters default in their obligations to purchase Notes hereunder, the non-defaulting Underwriters may make arrangements satisfactory to the Company for the purchase of such Notes by other persons, including any of the non-defaulting Underwriters, but if no such arrangements are made by the Closing Date, the other Underwriters shall be obligated, severally in the proportion which their respective commitments hereunder bear to the total commitment of the non-defaulting Underwriters, to purchase the Notes which such defaulting Underwriter or Underwriters agreed but failed to purchase. In the event that any Underwriter or Underwriters default in their obligations to purchase Notes hereunder, the Company may by prompt written notice to non-defaulting Underwriters postpone the Closing Date for a period of not more than seven full business days in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents, and the Company will promptly file any amendments to the Registration Statement or supplements to the Prospectus which may thereby be made necessary. As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve an Underwriter from liability for its default.

11. Survival of Certain Representations and Obligations.

The respective indemnities, agreements, representations and warranties of the Company and the Guarantor and of or on behalf of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or the Guarantor or any of their respective officers or directors or any controlling person, and will survive delivery of and payment for the Notes. If for any reason the purchase of the Notes by the Underwriters is not consummated, the Company shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 6; and the respective obligations of the Company, the Guarantor and the Underwriters pursuant to Section 9 hereof shall remain in effect.

12. Notices.

The Company and the Guarantor shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of each of the Underwriters if the same

shall have been made or given by you jointly or by UBS Securities LLC. All statements, requests, notices, consents and agreements hereunder shall be in writing, or by telegraph subsequently confirmed in writing, and, if to the Company or the Guarantor, shall be sufficient in all respects if delivered or mailed to the Company or the Guarantor at Two North Ninth Street, Allentown, Pennsylvania 18101 (facsimile: 610-774-5235), Attn: Treasurer, and, if to you, shall be sufficient in all respects if delivered or mailed to you at the address set forth on the first page hereof (a copy of which shall be sent to UBS Securities LLC, Attention: Fixed Income Syndicate (facsimile: 203-719-0495)); *provided, however*, that any notice to an Underwriter pursuant to Section 9 hereof will also be delivered or mailed to such Underwriter at the address, if any, of such Underwriter furnished to the Company and the Guarantor in writing for the purpose of communications hereunder.

13. USA Patriot Act Compliance.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Guarantor, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

14. No Advisory or Fiduciary Relationship.

Each of the Company and the Guarantor acknowledges and agrees that (a) the purchase and sale of the Notes pursuant to this Agreement, including the determination of the public offering price of the Notes and any related discounts and commissions, is an arm's-length commercial transaction between the Company and the Guarantor, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering contemplated hereby and the process leading to such transaction, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company or the Guarantor, or their respective stockholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company or the Guarantor with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or the Guarantor on other matters) and no Underwriter has any obligation to the Company or the Guarantor with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and the Guarantor, (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and each of the Company and the Guarantor has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate and (f) each of the Company and the Guarantor waives, to the fullest extent permitted by law, any

claims it may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Underwriters shall have no liability (whether direct or indirect) to the Company or the Guarantor in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company or the Guarantor, including its respective stockholders, creditors or employees.

15. Parties in Interest.

This Agreement shall inure solely to the benefit of the Company, the Guarantor and the Underwriters and, to the extent provided in Section 9 hereof, to any person who controls any Underwriter, to the officers and directors of the Company, the Guarantor, and to any person who controls the Company, the Guarantor, and their respective successors. No other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. The term "successor" shall not include any assignee of an Underwriter (other than one who shall acquire all or substantially all of such Underwriter's business and properties), nor shall it include any purchaser of Notes from any Underwriter merely because of such purchase.

16. Representation of Underwriters.

Any action under this Agreement taken by the Representatives will be binding upon all the Underwriters.

17. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

18. Effectiveness.

This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

19. Applicable Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

20. Waiver of Jury Trial

The Company, the Guarantor and each of the Underwriters hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. Headings.

The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

Please confirm that the foregoing correctly sets forth the agreement between us by signing in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement among the Company, the Guarantor and the several Underwriters in accordance with its terms.

Yours very truly,

PPL CAPITAL FUNDING, INC.

By: /s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer

PPL CORPORATION

By: /s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

BNP PARIBAS SECURITIES CORP.

By: /s/ Jim Turner

Name: Jim Turner

Title: Managing Director
Head of Debt Capital Markets

GOLDMAN, SACHS & CO.

/s/ Goldman, Sachs & Co.

(Goldman, Sachs & Co.)

J.P. MORGAN SECURITIES LLC

By: /s/ Robert Bottamedi

Name: Robert Bottamedi

Title: Vice President

UBS SECURITIES LLC

By: /s/ Christopher Forshner

Name: Christopher Forshner

Title: Managing Director

By: /s/ Mark Spadaccini

Name: Mark Spadaccini

Title: Director

SCHEDULE A

Issuer General Use
Free Writing Prospectus

1. Final Terms and Conditions, dated June 11, 2012, for \$400,000,000 aggregate principal amount of 4.20% Senior Notes due 2022 filed with the Commission by the Company pursuant to Rule 433 under the Securities Act.

SCHEDULE B

Information Represented and Warranted by the Underwriters
Pursuant to Section 2 of the Underwriting Agreement

1. The third paragraph under the caption “Underwriting” in the Prospectus Supplement;
2. The second and third sentences of the fourth paragraph under the caption “Underwriting” in the Prospectus Supplement; and
3. The fifth, sixth and seventh paragraphs under the caption “Underwriting” in the Prospectus Supplement.

Form of Final Term Sheet

PPL CAPITAL FUNDING, INC.
\$400,000,000
4.20% SENIOR NOTES DUE 2022

Issuer:	PPL Capital Funding, Inc.
Guarantor:	PPL Corporation
Size:	\$400,000,000
Trade Date:	June 11, 2012
Settlement Date:	June 14, 2012 (T+3)
Maturity Date:	June 15, 2022
Interest Payment Dates:	Semi-annually in arrears on June 15 and December 15, commencing on December 15, 2012
Coupon:	4.20%
Price to Public:	99.668%
Benchmark Treasury:	1.75% due May 15, 2022
Benchmark Treasury Yield:	1.591%
Spread to Benchmark Treasury:	+ 265 basis points
Yield to Maturity:	4.241%
Optional Redemption:	<p>Prior to March 15, 2022, the notes will be redeemable, in whole at any time or in part from time to time, at a redemption price equal to the greater of 100% of the principal amount of the notes being redeemed or the sum of the present values of the remaining scheduled payments of principal and interest discounted on a semi-annual basis at the Adjusted Treasury Rate, plus 45 basis points, plus, in either of the above cases, accrued and unpaid interest to, but not including, the date of redemption. On or after March 15, 2022, the notes will be redeemable at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest on the principal amount being redeemed to, but not including, the date of redemption.</p>

CUSIP / ISIN: 69352P AD5 / US69352PAD50

Joint Book-Running Managers: BNP Paribas Securities Corp.
Goldman, Sachs & Co.
J.P. Morgan Securities LLC
UBS Securities LLC

Co-Managers: BNY Mellon Capital Markets, LLC
KeyBanc Capital Markets Inc.
Mitsubishi UFJ Securities (USA), Inc.
Santander Investment Securities Inc.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling BNP Paribas Securities Corp. at 1-800-854-5674, Goldman, Sachs & Co. at 1-866-471-2526, J.P. Morgan Securities Inc. at 1-212-834-4533 or UBS Securities LLC at 1-877-827-6444, ext. 561 3884.

PPL CAPITAL FUNDING, INC.,
Issuer

and

PPL CORPORATION,
Guarantor

TO

THE BANK OF NEW YORK MELLON,
(as successor to JPMorgan Chase Bank, N.A., formerly known as The Chase Manhattan Bank),

Trustee

Supplemental Indenture No. 8

Dated as of June 14, 2012

Supplemental to the Indenture
dated as of November 1, 1997

Establishing a series of Securities designated
4.20% Senior Notes due 2022
initially limited in aggregate principal amount to \$400,000,000

SUPPLEMENTAL INDENTURE No. 8, dated as of June 14, 2012 among **PPL CAPITAL FUNDING, INC.**, a corporation duly organized and existing under the laws of the State of Delaware (formerly known as PP&L Capital Funding, Inc.) (herein called the “Company”), **PPL CORPORATION**, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania (formerly known as PP&L Resources, Inc.) (herein called the “Guarantor”), and **THE BANK OF NEW YORK MELLON**, a New York banking corporation (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as Trustee (herein called the “Trustee”), under the Indenture dated as of November 1, 1997 (hereinafter called the “Original Indenture”), this Supplemental Indenture No. 8 being supplemental thereto. The Original Indenture and any and all indentures and instruments supplemental thereto are hereinafter sometimes collectively called the “Indenture.”

Recitals of the Company and the Guarantor

The Original Indenture was authorized, executed and delivered by the Company and the Guarantor to provide for the issuance by the Company from time to time of its Securities (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Original Indenture), to be issued in one or more series as contemplated therein, and for the Guarantee by the Guarantor of the payment of the principal of, and premium, if any, and interest, if any, on such Securities.

As contemplated by Sections 301 and 1201(f) of the Original Indenture, the Company wishes to establish a series of Securities to be designated “4.20% Senior Notes due 2022” to be issued in an initial aggregate principal amount (but subject to increase as contemplated in Section 301(b) and the last paragraph of Section 301 of the Original Indenture) of \$400,000,000, such series of Securities to be hereinafter sometimes called “Series No. 6.”

As contemplated by Sections 201 and 1402 of the Original Indenture, the Guarantor wishes to establish the form and terms of the Guarantees to be endorsed on the Securities of Series No. 6.

The Company has duly authorized the execution and delivery of this Supplemental Indenture No. 8 to establish the Securities of Series No. 6 and has duly authorized the issuance of such Securities; the Guarantor has duly authorized the execution and delivery of this Supplemental Indenture No. 8 and has duly authorized its Guarantees of the Securities of Series No. 6; and all acts necessary to make this Supplemental Indenture No. 8 a valid agreement of the Company and the Guarantor, to make the Securities of Series No. 6 valid obligations of the Company, and to make the Guarantees valid obligations of the Guarantor, have been performed.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE No. 8 WITNESSETH:

For and in consideration of the premises and of the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities of Series No. 6, as follows:

ARTICLE ONE

Sixth Series of Securities

Section 1. There is hereby created a series of Securities designated “4.20% Senior Notes due 2022” issued in an original aggregate principal amount (but subject to increase as contemplated in Section 301(b) and the last paragraph of Section 301 of the Original Indenture) of \$400,000,000. The form and terms of the Securities of Series No. 6 shall be established in an Officers’ Certificate of the Company and the Guarantor, as contemplated by Section 301 of the Original Indenture.

Section 2. The Company hereby agrees that, if the Company shall make any deposit of money and/or Eligible Obligations with respect to any Securities of Series No. 6, or any portion of the principal amount thereof, for a period of more than one year prior to Maturity, as contemplated by Section 701 of the Original Indenture, the Company shall not deliver an Officer’s Certificate described in clause (z) in the first paragraph of said Section 701 unless the Company shall also deliver to the Trustee, together with such Officer’s Certificate, either:

(A) an instrument wherein the Company, notwithstanding the satisfaction and discharge of its indebtedness in respect of such Securities, shall assume the obligation (which shall be absolute and unconditional) to irrevocably deposit with the Trustee or Paying Agent such additional sums of money, if any, or additional Eligible Obligations (meeting the requirements of Section 701), if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Eligible Obligations theretofore so deposited, to pay when due the principal of and interest due and to become due on such Securities or portions thereof, all in accordance with and subject to the provisions of said Section 701; provided, however, that such instrument may state that the obligation of the Company to make additional deposits as aforesaid shall arise only upon the delivery to the Company by the Trustee of a notice asserting the deficiency and showing the calculation thereof and shall continue only until the Company shall have delivered to the Trustee an opinion of an independent public accountant of nationally recognized standing to the effect that no such deficiency exists and showing the calculation of the sufficiency of the deposits then held by the Trustee; or

(B) an Opinion of Counsel to the effect that the Holders of such Securities, or portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of the satisfaction and discharge of the Company’s indebtedness in respect thereof and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

ARTICLE TWO

Form of Guarantee

Guarantees to be endorsed on the Securities of Series No. 6 shall be in substantially the form set forth below:

[FORM OF GUARANTEE]

PPL Corporation, a corporation organized under the laws of the Commonwealth of Pennsylvania (the “Guarantor”, which term includes any successor under the Indenture (the “Indenture”) referred to in the Security upon which this Guarantee is endorsed), for value received, hereby fully and unconditionally guarantees to the Holder of the Security upon which this Guarantee is endorsed, the due and punctual payment of the principal of, and premium, if any, and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by declaration of acceleration, call for redemption, or otherwise, in accordance with the terms of such Security and of the Indenture. In case of the failure of PPL Capital Funding, Inc., a corporation organized under the laws of the State of Delaware (the “Company,” which term includes any successor under the Indenture), punctually to make any such payment, the Guarantor hereby agrees to cause such payment to be made punctually when and as the same shall become due and payable, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

The Guarantor hereby agrees that its obligations hereunder shall be absolute and unconditional irrespective of, and shall be unaffected by, any invalidity, irregularity or unenforceability of such Security or the Indenture, any failure to enforce the provisions of such Security or the Indenture, or any waiver, modification or indulgence granted to the Company with respect thereto, by the Holder of such Security or the Trustee or any other circumstance which may otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that notwithstanding the foregoing, no such waiver, modification or indulgence shall, without the consent of the Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or change any redemption provisions thereof (including any change to increase any premium payable upon redemption thereof) or change the Stated Maturity thereof.

The Guarantor hereby waives the benefits of diligence, presentment, demand for payment, any requirement that the Trustee or the Holder of such Security exhaust any right or take any action against the Company or any other Person, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged in respect of such Security except by complete performance of the obligations contained in such Security and in this Guarantee. This Guarantee shall constitute a guaranty of payment and not of collection. The

Guarantor hereby agrees that, in the event of a default in payment of principal of, or premium, if any, or interest on such Security, whether at its Stated Maturity, by declaration of acceleration, call for redemption, or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Security, subject to the terms and conditions set forth in the Indenture, directly against the Guarantor to enforce this Guarantee without first proceeding against the Company.

The obligations of the Guarantor hereunder with respect to such Security shall be continuing and irrevocable until the date upon which the entire principal of, and premium, if any, and interest on such Security has been, or has been deemed pursuant to the provisions of Article Seven of the Indenture to have been, paid in full or otherwise discharged.

The Guarantor shall be subrogated to all rights of the Holder of such Security upon which this Guarantee is endorsed against the Company in respect of any amounts paid by the Guarantor on account of such Security pursuant to the provisions of this Guarantee or the Indenture; provided, however, that the Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of, and premium, if any, and interest, if any, on all Securities issued under the Indenture shall have been paid in full.

This Guarantee shall remain in full force and effect and continue notwithstanding any petition filed by or against the Company for liquidation or reorganization, the Company becoming insolvent or making an assignment for the benefit of creditors or a receiver or trustee being appointed for all or any significant part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or reinstated, as the case may be, if at any time payment of the Security upon which this Guarantee is endorsed, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by the Holder of such Security, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned on such Security, such Security shall, to the fullest extent permitted by law, be reinstated and deemed paid only by such amount paid and not so rescinded, reduced, restored or returned.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication of the Security upon which this Guarantee is endorsed shall have been manually executed by or on behalf of the Trustee under the Indenture.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in such Indenture.

This Guarantee shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated: June , 2012

PPL CORPORATION

By: _____
Name:
Title:

[END OF FORM]

ARTICLE THREE

Miscellaneous Provisions

Section 1. This Supplemental Indenture No. 8 is a supplement to the Original Indenture. As supplemented by this Supplemental Indenture No. 8, the Indenture is in all respects ratified, approved and confirmed, and the Original Indenture and this Supplemental Indenture No. 8 shall together constitute one and the same instrument.

Section 2. The recitals contained in this Supplemental Indenture No. 8 shall be taken as the statements of the Company and the Guarantor, and the Trustee assumes no responsibility for their correctness and makes no representations as to the validity or sufficiency of this Supplemental Indenture No. 8.

Section 3. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF , the parties hereto have caused this Supplemental Indenture No. 8 to be duly executed as of the day and year first written above.

PPL CAPITAL FUNDING, INC.

By: /s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer

PPL CORPORATION

By: /s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Teisha Wright

Name: Teisha Wright

Title: Senior Associate

OFFICERS' CERTIFICATE
(Under Section 301 of the Indenture of
PPL Capital Funding, Inc. and PPL Corporation)

The undersigned Russell R. Clelland, Assistant Treasurer of **PPL CAPITAL FUNDING, INC.** (the "Company"), in accordance with Section 301 of the Indenture, dated as of November 1, 1997, as heretofore supplemented (the "Indenture", capitalized terms used herein and not defined herein having the meanings specified in the Indenture), among the Company, **PPL CORPORATION** (the "Guarantor"), and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as Trustee (the "Trustee"), does hereby establish for the series of Securities established in Supplemental Indenture No. 8, dated as of June 14, 2012 (the "Supplemental Indenture"), the following terms and characteristics (the lettered clauses set forth below corresponding to the lettered clauses of Section 301 of the Indenture), and the undersigned Russell R. Clelland, Assistant Treasurer of the Guarantor, does hereby approve of such terms and characteristics on behalf of the Guarantor:

(a) the title of the Securities of such series shall be "4.20% Senior Notes due 2022" (the "Notes");

(b) the aggregate principal amount of Notes which may be authenticated and delivered under the Indenture shall initially be limited to \$400,000,000 on the date hereof, but may be increased without limit as contemplated in Section 301(b) and the last paragraph of Section 301 of the Indenture, provided that any such additional Notes either shall be fungible with the original Notes for federal income tax purposes or shall be issued under a different CUSIP;

-
- (c) interest on the Notes shall be payable as provided in the form of Note attached hereto and hereby authorized and approved;
- (d) the date or dates on which the principal of the Notes shall be payable shall be as provided in the form of Note attached hereto and hereby authorized and approved;
- (e) the Notes shall bear interest as provided in the form of Note attached hereto and hereby authorized and approved, and the Interest Payment Dates and Regular Record Dates shall be such dates as are specified in such form;
- (f) the Corporate Trust Office of the Trustee in the United States (currently located at 101 Barclays Street, Floor 8W, New York, New York, 10286) shall be the office or agency of the Company at which the principal of, and premium, if any, and interest on the Notes shall be payable, at which registration of transfer and exchange of Notes may be effected and at which notices and demands to or upon the Company or the Guarantor in respect of the Notes and the Indenture may be served; provided, however, that the Company and the Guarantor each reserve the right to change, by one or more Officer's Certificates supplemental to this Officers' Certificate, any such office or agency; and provided, further, that the Company and the Guarantor each reserve the right to designate, by one or more Officer's Certificates supplemental to this Officers' Certificate, its principal office in Allentown, Pennsylvania or the office of the Guarantor or the Guarantor's subsidiary, PPL Electric Utilities Corporation in Allentown, Pennsylvania, as any such office or agency; the Trustee shall be the initial Security Registrar and Paying Agent for the Notes; provided, that the Company and the Guarantor each reserve the right, by one or more Officer's Certificates supplemental to this Officers' Certificate, to designate a different Security Registrar or a different or additional Paying Agent (which in each case, may be the Company, the Guarantor or any Affiliate of either of them) and to remove and replace any Security Registrar or Paying Agent;
- (g) the Notes shall be redeemable, in whole or in part, at the option of the Company as and to the extent provided in the form of Note attached hereto and hereby authorized and approved; with respect to any redemption of the Notes prior to March 15, 2022, notwithstanding Section 404 of the Indenture, the notice of any such redemption need not set forth the Redemption Price but only the manner of calculation thereof; the Company shall give the Trustee notice of the Redemption Price for any such redemption promptly after the calculation thereof and the Trustee shall not be responsible for any such calculation;
- (h) [not applicable];

(i) the Notes shall be issued in denominations of \$2,000 or any amount in excess thereof that is an integral multiple of \$1,000, unless otherwise authorized by the Company and the Guarantor;

(j) [not applicable];

(k) [not applicable];

(l) [not applicable];

(m) [not applicable];

(n) [not applicable];

(o) reference is hereby made to the provisions of Supplemental Indenture No. 8 for certain covenants of the Company and the Guarantor for the benefit of the Holders of the Notes;

(p) [not applicable];

(q) the only obligations or instruments which shall be considered Eligible Obligations in respect of the Notes shall be Government Obligations; and the provisions of Section 701 and 702 of the Indenture and Section 2 of Article One of the Supplemental Indenture shall apply to the Notes;

(r) the Notes may be issued in global form (the "Global Notes") and the depository for the Global Notes shall initially be The Depository Trust Company ("DTC"); provided, that the Company reserves the right to provide for another depository, registered as a clearing agency under the Exchange Act, to act as depository for the Global Notes (DTC and any such successor depository, the "Depository"); beneficial interests in Notes issued in global form may not be exchanged in whole or in part for individual certificated Notes in definitive form, and no transfer of a Global Note in whole or in part may be registered in the name of any Person other than the Depository or its nominee except that if the Depository (A) has notified the Company that it is unwilling or unable to continue as depository for the Global Notes or (B) has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor depository is not appointed by the Company within 90 days after such notice or cessation, the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of definitive Notes, shall authenticate and deliver Notes in definitive certificated form in an aggregate principal amount equal to the principal amount of the Global Note representing such Notes in exchange for such Global Note, such definitive Notes to be registered in the names provided by the Depository; each Global Note (i) shall represent and shall be denominated in an amount equal to the aggregate principal amount of the

outstanding Notes to be represented by such Global Note, (ii) shall be registered in the name of the Depositary or its nominee, (iii) shall be delivered by the Trustee to the Depositary, its nominee, any custodian for the Depositary or otherwise pursuant to the Depositary's instruction and (iv) shall bear a legend restricting the transfer of such Global Note to any person other than the Depositary or its nominee; none of the Company, the Guarantor, the Trustee, any Paying Agent or any Authenticating Agent shall have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests;

(s) [not applicable];

(t) reference is made to clause (r) above; no service charge shall be made for the registration of transfer or exchange of Notes; provided, however, that the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the exchange or transfer;

(u) [not applicable];

(v) the Notes shall be entitled to the benefits of Article Fourteen of the Indenture, and the Guarantees to be endorsed on the Notes shall be substantially in the form established in the Supplemental Indenture;

(w) except as otherwise determined by the proper officers of the Company and communicated to the Trustee in a Company Order or as established in one or more Officer's Certificates supplemental to this Officers' Certificate, the Notes shall be substantially in the form of Note attached hereto, which form is hereby authorized and approved and shall have such further terms as are set forth in such form.

IN WITNESS WHEREOF, I, as Assistant Treasurer of the Company and Assistant Treasurer of the Guarantor (and not in my individual capacity), have hereunto signed my name this 14th day of June, 2012.

/s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer of
PPL CAPITAL FUNDING, INC.

/s/ Russell R. Clelland

Name: Russell R. Clelland

Title: Assistant Treasurer of
PPL CORPORATION

Form of Note

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE TO BE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

**PPL CAPITAL FUNDING, INC.
4.20% Senior Note due 2022**

Fully and Unconditionally Guaranteed as to Payment
of Principal, Premium, if any, and Interest by

PPL CORPORATION

Original Issue Date: June 14, 2012
Stated Maturity: June 15, 2022
Interest Rate: 4.20%
Interest Payment Dates: June 15 and December 15
First Interest Payment Date: December 15, 2012
Regular Record Dates: June 1 and December 1

This Security is not a Discount Security within
the meaning of the within-mentioned Indenture

Principal Amount

No. [•]

[\$ [•]

CUSIP [•]

PPL CAPITAL FUNDING, INC., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor under the Indenture referred to below), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of [•] DOLLARS (\$[•]) on the Stated Maturity specified above, and to pay interest on said principal sum from the Original Issue Date specified above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually in arrears on the Interest Payment Dates specified above, commencing December 15, 2012 and at Maturity, at the Interest Rate per annum specified above, until the principal hereof is paid or duly provided for. The interest so payable, and paid or duly provided for, on any Interest Payment Date shall, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date specified above (whether or not a Business Day (as hereinafter defined)) next preceding such Interest Payment Date. Notwithstanding the foregoing, interest payable at Maturity shall be paid to the Person to whom principal shall be paid. Except as otherwise provided in the Indenture, any such interest not so paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice of which shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed if deemed practicable by the Trustee, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Interest on this Security shall be computed on the basis of a 360-day year consisting of twelve 30-day months, and with respect to any period less than a full calendar month, on the basis of actual days elapsed during such period.

Payment of the principal of this Security and premium, if any, and interest hereon due at Maturity shall be made upon presentation of this Security at the corporate trust office of The Bank of New York Mellon in New York, New York or at such other office or agency as may be designated for such purpose by the Company from time to time. Payment of interest, on this Security (other than interest due at Maturity) shall be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register except that (a) if such Person shall be a securities depository, such payment may be made by such other means in lieu of check as shall be agreed upon by the Company, the Trustee or other Paying Agent and such Person and (b) if such Person is a Holder of \$10,000,000 or more in aggregate principal amount of Securities of this series such payment may be in immediately available funds by wire transfer to such account as may have been designated in writing by the Person entitled thereto as set forth herein in time for the Paying Agent to make such payments in accordance with its normal procedures. Any such designation for wire transfer purposes shall be made by filing the appropriate information with the Trustee at

its Corporate Trust Office in The City of New York not less than fifteen calendar days prior to the applicable payment date and, unless revoked by written notice to the Trustee received on or prior to the Regular Record Date immediately preceding the applicable Interest Payment Date, shall remain in effect with respect to any further interest payments (other than interest payments due at Maturity) with respect to this Security payable to such Holder. Payment of the principal of, and premium, if any, and interest on this Security, as aforesaid, shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

This Security is one of a duly authorized issue of securities of the Company (herein called the “Securities”), issued and issuable in one or more series under an Indenture, dated as of November 1, 1997 (such Indenture as originally executed and delivered and as supplemented or amended from time to time thereafter, together with any constituent instruments establishing the terms of particular Securities, being herein called the “Indenture”), among the Company, PPL Corporation (herein called the “Guarantor,” which term includes any successor under the Indenture) and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as Trustee (herein called the “Trustee,” which term includes any successor trustee under the Indenture), to which Indenture, all indentures supplemental thereto and the Officers’ Certificate filed with the Trustee on June 14, 2012, establishing certain terms of the series designated on the face hereof (herein called the “Officers’ Certificate”) reference is hereby made for a description of the respective rights, limitations of rights, duties and immunities of the Company, the Guarantor, the Trustee and the Holders of the Securities thereunder and of the terms and conditions upon which the Securities are, and are to be, authenticated and delivered. The acceptance of this Security shall be deemed to constitute the consent and agreement by the Holder hereof to all of the terms and provisions of the Indenture. This Security is one of the series designated above.

If any Interest Payment Date, any Redemption Date or the Stated Maturity shall not be a Business Day, payment of the amounts due on this Security on such date shall be made on the next succeeding Business Day, and, if such payment is made or duly provided for on such next succeeding Business Day, no interest shall accrue on such amounts for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be, to such Business Day.

The Company may, at its option, redeem this Security, in whole at any time or in part from time to time. If the Company redeems this Security before March 15, 2022 (the date that is three months prior to the Stated Maturity), this Security will be redeemed by the Company at a Redemption Price equal to the greater of:

- (1) 100% of the principal amount of this Security to be so redeemed; and

(2) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on this Security to be so redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 45 basis points;

plus, in either of the above cases, accrued and unpaid interest on the principal amount being redeemed to, but not including, the Redemption Date.

If the Company redeems this Security on or after March 15, 2022, this Security will be redeemed by the Company at a Redemption Price equal to 100% of the principal amount of this Security to be so redeemed, plus accrued and unpaid interest on the principal amount being redeemed to, but not including, the Redemption Date.

For purposes of calculating the Redemption Price, the following terms will have the meanings set forth below:

“ *Adjusted Treasury Rate* ” means, with respect to any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

“ *Comparable Treasury Issue* ” means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of this Security to the Stated Maturity that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of this Security.

“ *Comparable Treasury Price* ” means, with respect to any Redemption Date:

(1) the average of five Reference Treasury Dealer Quotations for that Redemption Date, after excluding the highest and lowest Reference Treasury Dealer Quotations; or

(2) if the Quotation Agent obtains fewer than five Reference Treasury Dealer Quotations, the average of all of those quotations received.

“ *Quotation Agent* ” means one of the Reference Treasury Dealers appointed by the Company.

“*Reference Treasury Dealer*” means:

(1) each of BNP Paribas Securities Corp., Goldman, Sachs & Co., J.P. Morgan Securities LLC and UBS Securities LLC and their respective successors, unless any of them ceases to be a primary U.S. government securities dealer in the United States (a “Primary Treasury Dealer”), in which case the Company will substitute another Primary Treasury Dealer; and

(2) any other Primary Treasury Dealer selected by the Company.

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount), as provided to the Quotation Agent by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding that Redemption Date.

Notice of redemption shall be given by mail to Holders of Securities of this series, not less than 30 days nor more than 60 days prior to the date fixed for redemption, all as provided in the Indenture. As provided in the Indenture, notice of redemption at the election of the Company as aforesaid may state that such redemption shall be conditional upon the receipt by the applicable Paying Agent or Agents of money sufficient to pay the principal of, and premium, if any, and interest on this Security on or prior to the date fixed for such redemption; a notice of redemption so conditioned shall be of no force or effect if such money is not so received and, in such event, the Company shall not be required to redeem this Security.

In the event of redemption of this Security in part only, a new Security or Securities of this series, of like tenor, representing the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to the Securities of this series shall occur and be continuing, the principal of this Security may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the Trustee to enter into one or more supplemental indentures for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities of all series then Outstanding under the Indenture, considered as one class; provided, however, that if there shall be Securities of more than one series Outstanding under the Indenture and if a proposed supplemental indenture shall directly affect the rights of the Holders of Securities of one or more, but less than all, of such series, then the consent only of the Holders of a majority in aggregate principal amount of the Outstanding Securities of all series so directly affected, considered as one class, shall be required; and provided, further, that if the Securities of any series shall have been issued in more than one Tranche and if the proposed supplemental

indenture shall directly affect the rights of the Holders of Securities of one or more, but less than all, of such Tranches, then the consent only of the Holders of a majority in aggregate principal amount of the Outstanding Securities of all Tranches so directly affected, considered as one class, shall be required; and provided, further, that the Indenture permits the Trustee to enter into one or more supplemental indentures for limited purposes without the consent of any Holders of Securities. The Indenture also contains provisions permitting the Holders of a majority in principal amount of the Securities then Outstanding, on behalf of the Holders of all Securities, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange therefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and premium, if any, and interest on this Security at the times, place and rate, in the coin or currency, and in the manner, herein prescribed.

As provided in the Indenture and subject to certain limitations therein and herein set forth, this Security or any portion of the principal amount hereof shall be deemed to have been paid for all purposes of the Indenture and to be no longer Outstanding thereunder, and, at the election of the Company, the Company's entire indebtedness in respect thereof shall be satisfied and discharged, if there has been irrevocably deposited with the Trustee or any Paying Agent (other than the Company or the Guarantor), in trust, money in an amount which shall be sufficient and/or Eligible Obligations, the principal of and interest on which when due, without any regard to reinvestment thereof, shall provide moneys which, together with moneys so deposited, shall be sufficient to pay when due the principal of, and premium, if any, and interest on this Security when due.

The Indenture contains terms, provisions and conditions relating to the consolidation or merger of the Company or the Guarantor with or into, and the conveyance or other transfer, or lease, of assets to, another Person, to the assumption by such other Person, in certain circumstances, of all of the obligations of the Company or the Guarantor under the Indenture and on the Securities (or the Guarantees endorsed thereon, as the case may be) and to the release and discharge of the Company or the Guarantor, as the case may be, in certain circumstances, from such obligations.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office of The Bank of New York Mellon in New York, New York or such other office or agency as may

be designated by the Company from time to time, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series of authorized denominations and of like tenor and aggregate principal amount, shall be issued to the designated transferee or transferees.

The Securities of this series are issuable only as registered Securities, without coupons, and in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of the same series and Tranche, of any authorized denominations, as requested by the Holder surrendering the same, and of like tenor upon surrender of the Security or Securities to be exchanged at the office of The Bank of New York Mellon in New York, New York or such other office or agency as may be designated by the Company from time to time.

The Company shall not be required to execute and the Security Registrar shall not be required to register the transfer of or exchange of (a) Securities of this series during a period of 15 days immediately preceding the date notice is given identifying the serial numbers of the Securities of this series called for redemption or (b) any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the absolute owner hereof for all purposes (subject to Sections 305 and 307 of the Indenture), whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture and the Securities shall be governed by and construed in accordance with the laws of the State of New York (including, without limitation, Section 5-1401 of the New York General Obligations Law or any successor to such statute), except to the extent that the Trust Indenture Act shall be applicable.

As used herein, "Business Day" means any day, other than a Saturday or Sunday, that is not a day on which banking institutions or trust companies are generally authorized or required by law, regulation or executive order to close in The City of New York or other city in which is located any Paying Agent for the Securities of this series. All other terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

As provided in the Indenture, no recourse shall be had for the payment of the principal of or premium, if any, or interest on any Securities, any Guarantees or any part thereof, or for any claim based thereon or otherwise in respect thereof, or of the indebtedness represented thereby, or upon any obligation, covenant or agreement under the Indenture, against, and no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, officer or director, as such, past, present or future of the Company or the Guarantor or of any predecessor or successor of either of them (either directly or through the Company or the Guarantor, as the case may be, or a predecessor or successor of either of them), whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Indenture and this Security and the Guarantee endorsed hereon are solely corporate obligations and that any such personal liability is hereby expressly waived and released as a condition of, and as part of the consideration for, the execution of the Indenture and the issuance of this Security and such Guarantee.

Unless the certificate of authentication hereon has been executed by the Trustee or an Authenticating Agent by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: June 14, 2012

PPL CAPITAL FUNDING, INC.

By: _____
Name: Russell R. Clelland
Title: Assistant Treasurer

Attested:

By: _____
Name: Elizabeth Stevens Duane
Title: Secretary

GUARANTEE

PPL Corporation, a corporation organized under the laws of the Commonwealth of Pennsylvania (the “Guarantor”, which term includes any successor under the Indenture (the “Indenture”) referred to in the Security upon which this Guarantee is endorsed), for value received, hereby fully and unconditionally guarantees to the Holder of the Security upon which this Guarantee is endorsed, the due and punctual payment of the principal of, and premium, if any, and interest on such Security when and as the same shall become due and payable, whether at the Stated Maturity, by declaration of acceleration, call for redemption, or otherwise, in accordance with the terms of such Security and of the Indenture. In case of the failure of PPL Capital Funding, Inc., a corporation organized under the laws of the State of Delaware (the “Company,” which term includes any successor under the Indenture), punctually to make any such payment, the Guarantor hereby agrees to cause such payment to be made punctually when and as the same shall become due and payable, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

The Guarantor hereby agrees that its obligations hereunder shall be absolute and unconditional irrespective of, and shall be unaffected by, any invalidity, irregularity or unenforceability of such Security or the Indenture, any failure to enforce the provisions of such Security or the Indenture, or any waiver, modification or indulgence granted to the Company with respect thereto, by the Holder of such Security or the Trustee or any other circumstance which may otherwise constitute a legal or equitable discharge or defense of a surety or guarantor; provided, however, that notwithstanding the foregoing, no such waiver, modification or indulgence shall, without the consent of the Guarantor, increase the principal amount of such Security, or increase the interest rate thereon, or change any redemption provisions thereof (including any change to increase any premium payable upon redemption thereof) or change the Stated Maturity thereof.

The Guarantor hereby waives the benefits of diligence, presentment, demand for payment, any requirement that the Trustee or the Holder of such Security exhaust any right or take any action against the Company or any other Person, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the

indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged in respect of such Security except by complete performance of the obligations contained in such Security and in this Guarantee. This Guarantee shall constitute a guaranty of payment and not of collection. The Guarantor hereby agrees that, in the event of a default in payment of principal of, or premium, if any, or interest on such Security, whether at its Stated Maturity, by declaration of acceleration, call for redemption, or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Security, subject to the terms and conditions set forth in the Indenture, directly against the Guarantor to enforce this Guarantee without first proceeding against the Company.

The obligations of the Guarantor hereunder with respect to such Security shall be continuing and irrevocable until the date upon which the entire principal of, and premium, if any, and interest on such Security has been, or has been deemed pursuant to the provisions of Article Seven of the Indenture to have been, paid in full or otherwise discharged.

The Guarantor shall be subrogated to all rights of the Holder of such Security upon which this Guarantee is endorsed against the Company in respect of any amounts paid by the Guarantor on account of such Security pursuant to the provisions of this Guarantee or the Indenture; provided, however, that the Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of, and premium, if any, and interest, if any, on all Securities issued under the Indenture shall have been paid in full.

This Guarantee shall remain in full force and effect and continue notwithstanding any petition filed by or against the Company for liquidation or reorganization, the Company becoming insolvent or making an assignment for the benefit of creditors or a receiver or trustee being appointed for all or any significant part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or reinstated, as the case may be, if at any time payment of the Security upon which this Guarantee is endorsed, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by the Holder of such Security, whether as a "voidable preference," "fraudulent transfer," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned on such Security, such Security shall, to the fullest extent permitted by law, be reinstated and deemed paid only by such amount paid and not so rescinded, reduced, restored or returned.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication of the Security upon which this Guarantee is endorsed shall have been manually executed by or on behalf of the Trustee under the Indenture.

All terms used in this Guarantee which are defined in the Indenture shall have the meanings assigned to them in such Indenture.

This Guarantee shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Guarantor has caused this Guarantee to be duly executed.

Dated: June 14, 2012

PPL CORPORATION

By: _____
Name: Russell R. Clelland
Title: Assistant Treasurer

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: June 14, 2012

THE BANK OF NEW YORK MELLON,
as Trustee

By: _____
Authorized Signatory

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

[please insert social security or other identifying number of assignee]

[please print or typewrite name and address of assignee]

the within Security of PPL CAPITAL FUNDING, INC. and does hereby irrevocably constitute and appoint _____, Attorney,
to transfer said Security on the books of the within-mentioned Company, with full power of substitution in the premises.

Dated:

Notice: The signature to this assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatsoever.

[PPL Letterhead]

June 14, 2012

PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

Ladies and Gentlemen:

I am Senior Counsel of PPL Services Corporation, an affiliate of PPL Corporation (the “Guarantor”) and PPL Capital Funding, Inc. (the “Company”). In this capacity, I have acted as counsel to the Company and the Guarantor in connection with their joint registration statement on Form S-3 (File Nos. 333-180410 and 333-180410-06) (the “Registration Statement”) filed with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the “Act”), for the registration by the Company of \$400,000,000 in aggregate principal amount of its 4.20% Senior Notes due 2022 (the “Notes”), to be guaranteed by the Guarantor as to payment of principal, premium, if any, and interest, pursuant to guarantees of the Guarantor (the “Guarantees”). The Notes are to be issued under an Indenture dated as of November 1, 1997 among the Company, the Guarantor and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as trustee (the “Trustee”), as previously supplemented and as supplemented by Supplemental Indenture No. 8 thereto providing for the Notes (such Indenture, as so supplemented, being referred to herein as the “Indenture”), and to be sold pursuant to the Underwriting Agreement dated June 11, 2012 (the “Underwriting Agreement”) among the Company, the Guarantor and the several underwriters named therein.

I have examined such corporate records, certificates and other documents and have reviewed such questions of law as I have considered necessary or appropriate for purposes of the opinions expressed below.

On the basis of the foregoing assumptions and such examination and review, and subject to the limitations and qualifications stated herein, I advise you that I am of the opinion that:

- (i) the Guarantor is validly existing as a corporation in good standing under the laws of the Commonwealth of Pennsylvania, with corporate power to enter into, and perform its obligations under, the Guarantees and the Indenture;
- (ii) the Guarantees have been duly authorized, executed and delivered by the Guarantor;

(iii) the Indenture has been duly authorized, executed and delivered by the Guarantor; and

(iv) the execution and delivery by the Guarantor of, and the performance by the Guarantor of its obligations under, the Indenture and the Guarantees will not contravene the Amended and Restated Articles of Incorporation or Amended and Restated By-laws of the Guarantor.

I hereby authorize and consent to the filing of this opinion as an exhibit to a report on Form 8-K (the "Report") to be filed by the Guarantor on the date hereof and to its incorporation by reference into the Registration Statement. In addition, I authorize and consent to the references to me under the caption "Validity of the Notes and the Guarantees" in the Registration Statement and in the prospectus supplement constituting a part thereof. In giving the foregoing consent, I do not hereby admit that I come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

The opinions expressed herein are limited to the laws of the Commonwealth of Pennsylvania.

In rendering its opinion filed as an exhibit to the Report, Davis Polk & Wardwell LLP may rely upon this opinion as to matters of Pennsylvania law addressed herein as if this opinion were addressed directly to them.

Very truly yours,

/s/ Frederick C. Paine

Frederick C. Paine

New York
Menlo Park
Washington DC
São Paulo
London

Paris
Madrid
Tokyo
Beijing
Hong Kong



Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017

212 450 4000 tel
212 701 5800 fax

June 14, 2012

PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

Ladies and Gentlemen:

We have acted as special counsel for PPL Capital Funding, Inc., a Delaware corporation (the “Company”), and PPL Corporation, a Pennsylvania corporation (the “Guarantor”), in connection with the joint registration statement on Form S-3 (File Nos. 333-180410 and 333-180410-06) (the “Registration Statement”) filed by the Company and the Guarantor with the Securities and Exchange Commission (the “Commission”) pursuant to the Securities Act of 1933, as amended (the “Securities Act”), for the registration by the Company of \$400,000,000 aggregate principal amount of its 4.20% Senior Notes due 2022 (the “Notes”). The Notes are to be issued pursuant to the provisions of the Base Indenture dated as of November 1, 1997, heretofore supplemented and as further supplemented by Supplemental Indenture No. 8 dated as of June 14, 2012 (the Base Indenture as so supplemented, the “Indenture”), among the Company, the Guarantor and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as trustee (the “Trustee”), and to be sold pursuant to the Underwriting Agreement dated June 11, 2012 (the “Underwriting Agreement”) among the Company, the Guarantor and the several underwriters named therein. The Notes will be guaranteed by the Guarantor (the “Guarantees” and, together with the Notes, the “Securities”).

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinions expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all documents filed as exhibits to the Registration Statement that have not been executed will conform to the forms thereof, (iv) all signatures on all documents that we reviewed are genuine, (v) all natural persons executing documents had and have the legal capacity to do so, (vi) all statements in certificates of public officials and officers of the Company and the Guarantor that we reviewed were and are accurate and (vii) all representations made by the Company and the Guarantor as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, we advise you that, in our opinion, when the Securities have been duly executed, authenticated, issued and delivered in accordance with the Indenture and the Underwriting Agreement against payment therefor, the Securities will constitute valid and binding obligations of the Company and the Guarantor, as applicable, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that we express no opinion as to the (x) enforceability of any waiver of rights under any usury or stay law and (y) validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Notes to the extent determined to constitute unearned interest.

In connection with the opinion expressed above, we have assumed that (i) the Registration Statement became effective upon filing with the Commission and such effectiveness shall not have been terminated or rescinded; and (ii) the Indenture and the Securities (collectively, the "Documents") are valid, binding and enforceable agreements of each party thereto (other than as expressly covered above in respect of the Company and the Guarantor). We have also assumed that the execution, delivery and performance by each party to each Document to which it is a party (a) are within its corporate powers (other than with respect to the Company and the Guarantor), (b) do not contravene, or constitute a default under, the certificate of incorporation or bylaws or other constitutive documents of such party (other than with respect to the Company and the Guarantor), (c) require no action by or in respect of, or filing with, any governmental body, agency or official and (d) do not contravene, or constitute a default under, any public policy, any provision of applicable law or regulation or any judgment, injunction, order or decree or any agreement or other instrument binding upon such party.

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware. Insofar as the foregoing opinion involves matters governed by the laws of the Commonwealth of Pennsylvania, we have relied, without independent inquiry or investigation, on the opinion of even date herewith of Frederick C. Paine, Senior Counsel of PPL Services Corporation, filed with the Registration Statement.

We hereby consent to the filing of this opinion as an exhibit to a report on Form 8-K to be filed by the Guarantor on the date hereof and its incorporation by reference into the Registration Statement. In addition, we consent to the reference to our name under the caption "Validity of the Notes and the Guarantees" in the prospectus supplement, which is a part of the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP