

**Charter of the
Executive Committee
of the Board of Directors
of Cinergy Corp.**

I. Purpose

The purpose of the Executive Committee (the "Committee") is to exercise all the powers and authority of the Board of Directors (the "Board") in the management of the business and affairs of Cinergy Corp. (the "Corporation"), except as otherwise prohibited by Section 4.1 of the Corporation's By-Laws, by the Board or by the Delaware General Corporation Law and, without in any way limiting or qualifying the foregoing, to exercise the powers and authority of the former Finance Committee.

II. Membership

The Committee shall be appointed from time to time by the Board, upon recommendation of the Corporate Governance Committee, from among the Board membership and shall consist of at least three, but no more than six, members, at least a majority of whom must be independent. The membership of the Committee shall include the Chairman and Vice Chairman of the Board and the Chief Executive Officer of the Corporation. The Chief Executive Officer of the Corporation shall be Chairperson of the Committee. The Board, acting upon recommendation of the Corporate Governance Committee, shall fill vacancies on the Committee.

III. Meetings and Procedures

The Committee is not required to meet on a regularly-scheduled basis, but rather shall meet as needed during intervals between scheduled Board meetings.

Meetings of the Committee may be called by the Secretary of the Corporation at the direction of the Chairperson of the Committee or two or more members of the Committee.

A majority of the full Committee shall constitute a quorum for the transaction of business.

The Committee may act by a majority of its members present at a meeting or by a writing signed by all of its members. A copy of such written consent shall be filed with the minutes of the Committee.

The Committee may delegate authority to act upon specific matters, within determined parameters, to a subcommittee consisting of one or more Committee members.

Minutes of each Committee meeting shall be approved by the Committee and filed in the Corporation's records. The Committee shall report all action taken by it to the Board at its meeting next succeeding the taking of such action.

At the request of any member of the Committee, consideration of any action proposed to be taken by the Committee shall be deferred until the next meeting of the Board.

The Committee may establish such further rules and procedures not inconsistent with the foregoing as it deems necessary to fulfill its duties and responsibilities under this Charter.

IV. Duties and Responsibilities; Authorities and Restrictions

The Committee shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, except as otherwise prohibited by Section 4.1 of the Corporation's By-Laws, by the Board or by Section 141(c)(2) of the Delaware General Corporation Law (as adopted by the Board in resolutions dated May 2, 2002); provided, however, that (a) the Committee shall not have the power or authority to take any action for which a Supermajority Vote (as such term is defined in the By-Laws of the Corporation) or other vote in excess of a majority of the Board is required and (b) the Committee shall not have the power or authority to approve any transaction with an equity value in excess of the higher of (i) ten percent of the market capitalization of the Company at the time of the decision and (ii) ten percent of the net book value of the Company on a consolidated basis at the time of the decision.

The Committee is authorized, with sole authority to approve the fees and retention terms and at the Company's expense, to retain, direct and/or terminate such outside counsel, experts and other advisors as it deems necessary in the performance of its duties.

The Committee may call a special meeting of the Board if, in the Committee's judgment, an issue is brought before the Committee that requires consideration by the full Board prior the Board's next regularly-scheduled meeting.

All acts done and powers conferred by the Committee in accordance with this Charter shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee also shall annually review its own performance.