AMENDED AND RESTATED
LOCAL PARTICIPATION AGREEMENT

This **AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT** (the "Amended Agreement") effective as of the 12th day of March, 2010, by and between (i) **LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT**, a Kentucky consolidated local government ("Louisville") and (ii) the **METRO DEVELOPMENT AUTHORITY, INC.**, a Kentucky non-profit, non-stock corporation ("Authority").

RECITALS:

WHEREAS, the General Electric Company ("GE") In May of 2009 proposed to develop a project at its Appliance Park Facility in accordance with the Development Plan attached thereto ("Project"); and

WHEREAS, Louisville and the Authority, to induce GE to undertake the Project, plan to provide certain incentives to GE including tax increment financing proceeds pursuant to KRS 65.7041-65.7083 (the "Act"); and

WHEREAS, pursuant to the Act, the Metro Council of Louisville, by Ordinance No. 68, Series 2009, enacted on May 28, 2009, designated the Project site as a development area, as more particularly described in Exhibit B ("Development Area"); and

WHEREAS, the Project shall represent new economic development in Louisville; and

WHEREAS, Louisville finds that the Project to be undertaken in the Development Area will result in the increase in the value of property located in the Development Area and result in increased employment within the Development Area; and

WHEREAS, the use of tax increment financing to assist the development of the Project, within the meaning of the Act is a worthy public purpose; and

WHEREAS, Louisville is authorized under the Act to execute a local participation agreement with an agency in acknowledgement of benefits to be derived by Louisville within a development area in order to promote the public purpose of Louisville; and

WHEREAS, the Authority is organized and incorporated as a non-profit corporation pursuant to KRS Chapter 58 and qualifies to be an "Agency" pursuant to the Act; and

WHEREAS, pursuant to the Ordinance, the Authority has been designated as the "agency," within the meaning of the Act for the purposes of receiving a portion of the Tax Increments generated by the Project in the Development Area; and

WHEREAS, Louisville desires to assist Developer with the costs of the Project and agrees to enter into this Local Participation Agreement in order to release to the Authority a portion of the Increment (as hereinafter defined) for use solely for purposes of the Project.

WHEREAS, GE has announced an additional project to be undertaken within the Development Area ("Additional Project") and the Metro Council has amended the Ordinance by enacting Ordinance No. 1, Series 2010, to amend the Development Plan as provided in the Amended Development Plan attached as Exhibit A to the Ordinance to include the Additional Project and further authorized the execution of this Amended Agreement to include the Additional Project and increase the Released Amount, as defined herein.

NOW THEREFORE, Louisville and the Authority agree that in consideration of the premises and the additional consideration provided herein, the parties agree as follows:

Section 1. Definitions

In addition to the terms defined in the above recitals, the following additional terms used in this Amended Agreement shall have the meanings assigned in this Section 1 unless the context clearly indicates that a contrary meaning is intended.

(a) **"Activation Date"** means the date established by notice from GE to the Authority which date shall be no earlier than the Commencement Date and no later than two years from the Commencement Date, unless an extension is granted by the Authority.

(b) **"Base Year"** means January 1, 2009 through December 31, 2009, the last full year prior to the Commencement Date.

(c) **"Calendar Year"** means January 1 through and including December 31.

(d) **"Commencement Date"** shall mean the date of this Amended Agreement.

(e) **"Increment"** shall mean the amount calculated pursuant to Section 5.3 of this Amended Agreement.

(f) **"Project"** means the projects described in the Amended Development Plan attached hereto as Exhibit A.

(g) **"Project Employees"** shall mean the persons employed by GE specifically for the Project.

(h) **"Project Incentive"** means the payment of the amount not to exceed $5,000,000 pursuant to this Amended Agreement to induce GE to undertake the Project within the Development Area.

(i) **"Louisville Department of Finance"** means the department of Louisville so named.

(j) **"New Occupational Tax Revenue"** means the amount of Occupational License Fees received by Louisville from, or attributable to, the Project

within the Development Area in each year after the Activation Date through the term of this Amended Agreement.

(k) **"Occupational License Fees"** mean the taxes levied upon employees by Louisville pursuant to Louisville Metro Codified Ordinances Chapter 110.

(l) **"Old Occupational Tax Revenue"** means the amount of Occupational License Fees received by Louisville from, or attributable to, the Project within the Development Area in the Base Year.

(m) **"Released Amount"** means the amount payable in each Calendar Year from Louisville to the Authority as calculated pursuant to Section 5.4 of this Amended Agreement.

(n) **"Termination Date"** means the date upon which this Amended Agreement expires pursuant to Section 4.1 of this Amended Agreement.

Section 2. Representations and Warranties

2.1 Representations and Warranties of The Authority. The Authority, represents and warrants to Louisville as follows:

(a) **Existence**. The Authority is a duly organized and validly existing non-profit corporation created under the laws of the Commonwealth of Kentucky.

(b) **Authority to Amended Act**. The Authority has the requisite power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Amended Agreement, in accordance with its terms and conditions. The officers and officials executing and delivering this Amended Agreement on behalf of the Authority have been or are otherwise duly authorized to enter into this Amended Agreement on behalf of the Authority.

(c) **Validity of Amended Agreement; Compliance with Law**. This Amended Agreement is the legal, valid and binding obligation of the Authority enforceable in accordance with its terms and conditions. The execution and delivery of this Amended Agreement, and the performance or observance by the Authority of the terms and conditions thereof, do not and will not materially violate any provisions of the Authority's Articles of Incorporation or any laws applicable to the Authority.

(d) **Litigation**. No litigation or proceeding involving the Authority is pending or, to the best of the knowledge of the Authority, is threatened in any court or administrative agency which, if determined adversely to the Authority, could have a materially adverse impact on the ability of the Authority to perform any of its obligations under this Amended Agreement.

(e) **Conflicting Transactions**. The consummation of the transactions contemplated hereby and the performance of the obligations of the Authority under and by virtue of this Amended Agreement shall not result in any material breach of, or constitute a default

under, any contract, agreement, lease, indenture, bond, note, loan or credit agreement to which it is a party or by which it is bound.

2.2 Representations and Warranties of the Louisville. Louisville represents and warrants to the Authority and as follows:

***(a)* Authority to Act.** Louisville has the requisite power, capacity and authority to execute and deliver this Amended Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Amended Agreement in accordance with its terms and conditions. Each of the officials executing and delivering this Amended Agreement on behalf of Louisville has been and is duly authorized to enter into this Amended Agreement on behalf of Louisville.

***(b)* Validity of Amended Agreement; Compliance with Law.** This Amended Agreement is the legal, valid and binding obligation of Louisville enforceable in accordance with its terms and conditions. The execution and delivery of this Amended Agreement, and the performance or observance by Louisville of the terms and conditions thereof, do not and will not violate any provisions of any laws applicable to Louisville.

Section 3. Tax Withholding Numbers

3.1 Requirement. Louisville shall use reasonable efforts to require GE to separately identify the Project Employees and to separately report the wages and salaries of the Project Employees and the Occupational License Fees withheld from the wages and salaries of the Project Employees for each business situs in the Development Area.

Section 4. Released Amount

4.1 Term. Louisville agrees to pay to the Authority, and the Authority does accept from Louisville, the Released Amount for each Calendar Year beginning in the year including the Activation Date, with payment to be made beginning in the Calendar Year following the Activation Date, and for successive Calendar Years continuing automatically thereafter until the earliest of: (i) that date ten (10) years following the initial payment to the Authority; or (ii) that date the aggregate Released Amount paid to the Authority by Louisville during the term of the Amended Agreement equals the amount of $5,000,000.00.

4.2 Louisville Monitoring, Tracking and Reporting. The Department of Finance shall annually submit to the Metro Council a report concerning the Project and the Development Area including but not limited to:

(a) An accounting of all payments made to the Authority and by the Authority pursuant to this Agreement in the prior fiscal year;

(b) An analysis and review of development activity resulting from the Project within the Development Area as reported to Louisville by GE;

(c) The compliance by GE with the terms of the Amended Development Plan as reported to Louisville by GE; and

4.3 Time of Payment. By the earlier of (i) ______ 1 of each Calendar Year beginning in the year after the year of the Activation Date or (ii) thirty (30) days after the submission by the Authority of a request for the Released Amount under this Amended Agreement, Louisville agrees to pay to the Authority the Released Amount. Prior to payment of the Released Amount to the Authority such funds shall be maintained in a "Special Fund" pursuant to Section 12 of the Act.

4.4 Use of Released Amount. Consistent with the Act, the Authority covenants and agrees that it will use the Released Amount solely for the purposes of paying the Project Incentive. The Authority shall provide to the Department of Finance, no later than ninety (90) days after the end of each Calendar Year during the term of this Amended Agreement, a certification as to the use of the Released Amount during the preceding year.

Section 5. Determination of the Released Amount.

5.1 Old Occupational Tax Revenue. The Department of Finance shall determine the amount of "Old Occupational Tax Revenue" with reasonable accuracy, but may make such assumptions as may be required. Upon the determination of Old Occupational Tax Revenue, Louisville and the Authority shall stipulate the amount of Old Occupational Tax Revenue by written addendum to this Amended Agreement. The amount of Old Occupational Tax Revenue so stipulated shall be valid throughout the term of this Amended Agreement.

5.2 New Occupational Tax Revenue. The Department of Finance shall calculate the amount of "New Occupational Tax Revenue" each year after the Activation Date prior to the Time of Payment pursuant to Section 4.3 of this Amended Agreement by calculating the total amount of Occupational License Fees received by Louisville attributable to the wages and salaries paid to the Project Employees by GE. The current projected New Occupational Tax Revenues are set forth in Exhibit C, but are only projections and both parties acknowledge and understand these projections will change and will not be the actual New Occupational Tax Revenues.

5.3 Calculation of Increment. The Department of Finance in each year following the Activation Date shall calculate the Increment prior to the Time of Payment pursuant to Section 4.3 of this Amended Agreement. The Increment shall be the sum equal to New Occupational Tax Revenue calculated pursuant to Section 5.2 of this Amended Agreement minus Old Occupational Tax Revenue calculated pursuant to Section 5.1 of this Amended Agreement.

5.4 Calculation of Released Amount. The Department of Finance in each year following the Activation Date prior to the Time of Payment pursuant to Section 4.3 of this Amended Agreement, shall calculate the Released Amount which shall be a sum equal to 80% of the Increment calculated pursuant to Section 5.3 of this Amended Agreement.

Section 6. Pledge of Incremental Revenues Superior to Ordinances and Statutes

As provided in the Act, any pledge of incremental tax revenues by the Authority and/or Louisville in this Amended Agreement shall be superior to any other pledge of revenues for any other purpose and shall, from the Activation Date to the Termination Date, supersede any statute or ordinance regarding the application or use of incremental tax revenues.

Section 7. Default.

7.1 Default by Authority. If the Authority materially breaches or defaults on its obligations under this Amended Agreement or any of the documents incorporated herein or in the reasonable judgment of Louisville there has been a substantial decrease in the Authority's capacity to undertake the obligations required by this Amended Agreement, Louisville may give written notice that remedial action must be taken within thirty (30) calendar days. The Authority shall correct such breach or default within (30) days after the Authority's receipt of such written notice. If the default is not reasonably curable within (30) days, then the Authority may continue to cure the default or breach so long as Louisville is reasonably satisfied that sufficient progress is being made toward a cure. If such corrective action is not taken, Louisville may terminate the Amended Agreement by giving written notice to the Authority at least ten (10) days prior to the effective date of termination.

7.2 Default by Louisville.

If Louisville materially breaches or defaults on its obligations under this Amended Agreement or any of the documents incorporated herein, the Authority may give written notice to Louisville that remedial action must be taken within thirty (30) days after Louisville's receipt of such written notice. However, if the default is not reasonably curable within thirty (30) days, Louisville may continue to cure the default or breach so long as the Authority is satisfied that sufficient progress is being made toward a cure. If such action is not taken, the Authority shall be entitled to any remedy and damages available to it at law or in equity.

7.3 Remedies; Exception.

In the event of any default or termination by either party, the non-defaulting party shall be relieved of any executory obligations hereunder and shall be entitled to any remedy and damages available to it at law or in equity. Provided however, that in the event the Authority, Developer, Louisville or any other entity or body has issued bonds for the benefit of the Project which are secured by a pledge of the Released Amount and/or the Special Fund, Louisville shall not terminate the payment of the Released Amount for the period said bonds remain outstanding and the Authority shall continue to comply with all applicable provisions of this Amended Agreement necessary to make the bond payments with all applicable Released Amounts. Neither the Authority nor Louisville will terminate or otherwise negatively impact any such pledge, and both parties shall fully cooperate to use the Released Amount to service such bonds.

Section 8. Miscellaneous

8.1 **Notices**. All notices or other communications hereunder from any party shall be sufficiently given, and shall be deemed given, when delivered or mailed by first class mail or overnight delivery to the other parties at their respective addresses as follows:

If to Louisville:	Louisville/Jefferson County Metro Government c/o Economic Development Department 444 S. 5th Street, Ste. 600 Louisville, Kentucky 40202 Attn: C. Bruce Traughber
With a copy to:	Jane Driskell, CFO Finance Department 611 W. Jefferson Louisville, Kentucky 40202
If to The Authority:	C. Bruce Traughber, President Metro Development Authority, Inc. 444 So. 5th Street, Ste. 600 Louisville, Kentucky 40202
With a copy to:	J. David Morris Economic Development Department 444 So. 5th Street, Ste. 600 Louisville, Kentucky 40202

Section 9. Miscellaneous Provisions.

9.1 **Binding Effect**. This Amended Agreement shall be binding upon the parties hereto and upon their respective successors and assigns.

9.2 **Severability**. If any clause, provision, or section of this Amended Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision, or section shall not affect any of the remaining clauses, provisions or sections hereof.

9.3 **Governing Law**. This Amended Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and enforceable in courts of competent jurisdiction.

9.4 **Entire Agreement; Modifications**. This Amended Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter of this Amended Agreement. This Amended Agreement shall not be modified, amended, cancelled or terminated except by an agreement in writing signed by the parties hereto.

9.5 **Counterparts.** This Amended Agreement may be executed in any number of counterparts by some or all of the parties hereto, each of which shall be an original and all of which shall together constitute one and the same instrument.

9.6 **Further Assurances.** Each of the parties hereto shall use reasonable efforts and cooperate fully with each other in order to promptly and fully carry out the terms and provisions of this Amended Agreement. Each party hereto shall from time to time execute and deliver such other agreements, documents or instruments and take such other actions as may be reasonably necessary or desirable to effectuate the terms of this Amended Agreement.

9.7 **Mutual Termination.** In addition to any other provisions relating to termination of this Amended Agreement contained herein, this Amended Agreement shall terminate upon the written agreement of all the parties hereto, except as otherwise provided in Subsection 7.3 of this Amended Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Amended Agreement to be executed by their officers and officials thereunto duly authorized as of the date first written above.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT

By: ______________________

Jerry E. Abramson, Mayor

METRO DEVELOPMENT AUTHORITY, INC.

By: C. Bruce Traughber

Name: C. Bruce Traughber

Title: Director

Approved as to Form:

____

Jefferson County Attorneys Office

Exhibit A

AMENDED
APPLIANCE PARK DEVELOPMET AREA
DEVELOPMENT PLAN

History

Appliance Park is a 770 acre industrial and commercial complex in Louisville, Kentucky ("Park") which was originally developed in 1951 to manufacture, assemble and ship appliances. The Park is owned by the General Electric Company ("GE") operating through its appliance business ("GEA") which is a component of the Consumer & Industrial Division ("C&I") of GE and is headquartered at the Park.

At its time of peak employment, the Park employed approximately 25,000 persons. Since that time, extreme competitive pressures, compounded by high manufacturing costs have reduced the competitiveness of products produced at the Park which has resulted in a steady reduction of employment at the Park. Currently C&I employs approximately 3,500 hourly and salaried employees at the Park. Even with the reduced employment, GEA is ranked as the sixth largest private sector employer in Louisville and the fifth largest private sector employer ranked by the amount of occupational license fees paid to Louisville.

Because the Park was developed to produce a far greater volume of manufactured goods and employ many more employees than are currently employed, the Park contains many underutilized buildings, some vacant structures and buildings used for purposes for which they were not designed. Currently nearly 25% of the existing manufacturing space (1,800,000 square feet) at the Park is not being used and approximately 178,000 square feet of office or research capacity is not being used or has been demolished. The amount of commercial and industrial activity currently undertaken at the Park is significantly reduced from peak periods and continues to decline.

Proposed Project

GEA is proposing projects to be located at the Park which it believes will reverse this long term trend of job reductions at the Park.

GEA proposes a major redevelopment project at the Park to manufacture new Energy Star compliant appliances – hybrid electric hot water heaters ("Water Heater Project") and to manufacture new front loading washers and companion dryers and certain dishwasher components ("Washer Project") and to initiate a new green technology development program ("Research &

Development Program"), collectively referred to as the Projects. Currently, GEA has entered into a contract manufacturing arrangement with a supplier in China produce and supply hybrid electric water heaters to GEA for sale under the GE brand. Similarly, GEA does not currently produce a product similar to the front loading washer and companion dryer.

If the Projects are located at the Park GEA will commence production of the water heater in 2011 and the washer and dryer in 2012. GEA will install newly purchased machinery and equipment with the capacity to manufacture up to three hundred thousand water heaters annually and up to 60,000_washers and dryers annually. The Water Heater Project will employ 420 new full-time employees and the Washer Project will employ 431 new full-time employees, including 177 in new engineering jobs that will be created.

Other elements of the Projects include the manufacture, from parts supplied by external suppliers, components used in the dishwashers and refrigerators manufactured at the Park ("Component Project"). The manufacture of those various components will require research and development and new investment in facility improvements, machinery and equipment.

Additionally, as part of the Projects, GEA will build a new data center in the Park, which will require substantial investment in capital improvements and equipment purchases ("Data Center Project"). The Data Center Project and the Component Project will employ approximately 150 new full-time employees.

Proposed Investment & Employment

GEA estimates that its total investment for the Projects at the Park will exceed one hundred fifty million dollars and as outlined above will create 851new full-time jobs at the Park. It is expected that the blended hourly rate for the hourly positions will be $20.00 per hour with an additional benefit rate of 30.3%. The compensation rate for such jobs is expected to grow at an annual rate of 2.5%. The salaried positions are expected to be compensated at $40.00 an hour with a benefit rate and annual increase comparable to the hourly positions and the engineering positions are expected to be compensated at $53.00 per hour plus benefits of $15.86 per hour..

Competition for Project

The Projects are competitive among the various manufacturing facilities owned by GEA. The technology innovation of the water heater is the application of a heat pump powered by a compressor that operates similarly to the compressor in a refrigerator. Additionally the water heater will use foam-inplace insulation that is also similar to the insulation in a refrigerator. Since GEA currently produces refrigerators at the Park, GEA currently employs at the Park trained compressor engineers and insulation technologists, which provides an advantage to the Park to attract the location of the Water Heater Project. However, GEA operates three other refrigerator manufacturing facilities possessing similar advantages. Those manufacturing facilities are located in Alabama, Indiana and Tennessee. GEA considers all four facilities to be viable candidates for the relocation of the Water Heater Project. Similarly, GEA has joint ventures in Jiangsu Province, China and in the Province of Quebec, Canada that today manufacture all of GEA's front-load washers and dryers, respectively. These operations receive incentives from governments in which production facilities are located, which incentives would be increased if production of the new products were to be sited in those locations. Given the existing infrastructure, trained work force, joint venture partner investment and government incentives, GEA considers the two non-U.S. facilities to be viable candidates for the Washer Project.

Proposed TIF District

In order to induce GEA to locate the Projects at the Park, Louisville proposes to designate the entire 770 acres of the Park as a Development Area pursuant to KRS 65.7041-65.7083, to be known as the Appliance Park Development Area ("Development Area"). The Development Area will be local only and no state taxes will be released. Louisville proposes to release 80% of the occupational license fees generated from the wages and salaries of the employees hired for the Projects for a period not to exceed ten (10) years. The maximum amount of taxes released will not exceed the sum of $5,000,000 in the aggregate.

The taxes released from the Development Area will be paid by Louisville to the Metro Development Authority ("MDA") pursuant to an amended and restated local participation agreement entered into between Louisville and MDA ("Agreement"). MDA will pay the amounts received from Louisville pursuant to the Agreement to GEA as an inducement to GEA to undertake the Projects at the Park ("TIF Incentive"). If any of the individual projects included within the Projects is not undertaken by GEA, the TIF Incentive will be reduced accordingly.

Need for TIF Incentive

The TIF Incentive provided to GEA by designating the Park as a Development Area and the proposed incentives being offered by the Commonwealth of Kentucky Cabinet for Economic Development ("Cabinet") under the KIDA program are critical to making the Park the front runner in the competition for the location of the Projects. Since the states and countries where the other manufacturing facilities are located provide or are proposing to provide incentives to GEA, it is clear that without the Cabinet and Louisville offering incentives to GEA, the Park would not be the most viable candidate for the location of the Projects. Without the Projects, it is highly likely that the trends of job reductions and underutilization of structures at the Park will continue unabated if not accelerate.

The new water heater and front loading washer and dryer proposed to be manufactured at the Park will all be smart grid enabled, an important feature for future energy efficient appliances. The location of the Projects at the Park will position the Park for new energy efficient appliance projects to be undertaken by GEA in the future. The Projects are critical for the long_term viability of the Park as a major manufacturing center for GEA. Without the Projects the Park will continue to lose jobs and there will be fewer opportunities for jobs for the residents of Louisville, reduced spending capacity in Louisville and lower tax revenues for Louisville. The long_term benefits which will accrue to Louisville from the Projects justify the costs of the incentives over the short term.

EXHIBIT B

Development Area

[See Next Page]

Appliance Park Parcels

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Parcels
GE Parcels
Street Cemterlines

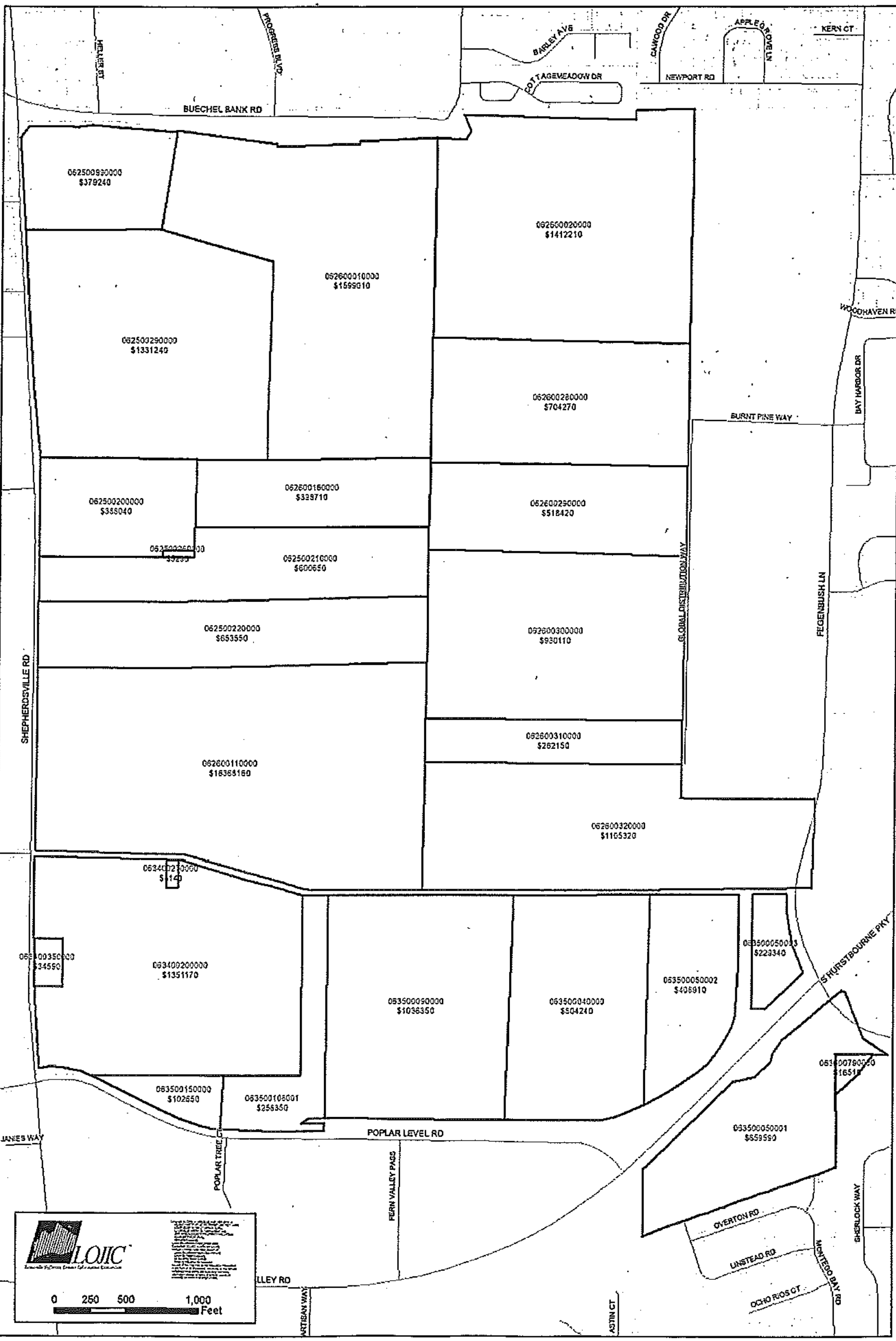

EXHIBIT C
Projected New Occupational Tax Revenues

		Water Heater	Laundry	Amended Total	Projected Jefferson County Occupational tax @ 2.2%
Year 1	2010	18,304	20,511	38,815	854
Year 2	2011	18,762	21,024	39,785	875
Year 3	2012	19,238	32,138	51,375	1,130
Year 4	2013	19,718	32,941	52,659	1,159
Year 5	2014	20,211	33,765	53,976	1,187
Year 6	2015	20,717	34,609	55,325	1,217
Year 7	2016	21,235	35,474	56,708	1,248
Year 8	2017	21,765	36,361	58,126	1,279
Year 9	2018	22,310	37,270	59,579	1,311
Year 10	2019	22,867	38,201	61,069	1,344

Amounts in $1000s