# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

**D** Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**1b** Three-digit plan number (PN) ▶ 009

**1c** Effective date of plan 12/31/1946

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
DUKE ENERGY CORPORATION

550 SOUTH TRYON STREET DEC 38A
CHARLOTTE, NC 28202

**2b** Employer Identification Number (EIN) 20-2777218

**2c** Plan Sponsor's telephone number 704-382-5289

**2d** Business code (see instructions) 221100

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/18/2016 | THOMAS SILINSKI |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

DUKE ENERGY BENEFITS COMMITTEE

550 SOUTH TRYON STREET DEC 38D
CHARLOTTE, NC 28202

**3b** Administrator's EIN: 20-2777218

**3c** Administrator's telephone number: 704-382-5289

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 3931 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 1556 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 1284 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1552 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 347 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 3183 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 429 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 3612 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 0 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 21 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 1C 1E 3F 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | ☐ | Insurance |
| **(2)** | ☐ | Code section 412(e)(3) insurance contracts |
| **(3)** | ☒ | Trust |
| **(4)** | ☐ | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | ☐ | Insurance |
| **(2)** | ☐ | Code section 412(e)(3) insurance contracts |
| **(3)** | ☒ | Trust |
| **(4)** | ☐ | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | ☒ | **R** (Retirement Plan Information) |
| **(2)** | ☐ | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | ☒ | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | ☒ | | **H** (Financial Information) |
| **(2)** | ☐ | | **I** (Financial Information – Small Plan) |
| **(3)** | ☐ | 0 | **A** (Insurance Information) |
| **(4)** | ☒ | | **C** (Service Provider Information) |
| **(5)** | ☒ | | **D** (DFE/Participating Plan Information) |
| **(6)** | ☐ | | **G** (Financial Transaction Schedules) |

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**B** Three-digit plan number (PN) ▶ 009

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
DUKE ENERGY CORPORATION

**D** Employer Identification Number (EIN)
20-2777218

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

**1** Enter the valuation date: Month 01 Day 01 Year 2015

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | **2a** | 659364040 |
| **b** Actuarial value | **2b** | 657039946 |

**3** Funding target/participant count breakdown

| | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | 1834 | 289030487 | 289030487 |
| **b** For terminated vested participants | 399 | 13443092 | 13443092 |
| **c** For active participants | 1616 | 195572758 | 222155369 |
| **d** Total | 3849 | 498046337 | 524628948 |

**4** If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| **a** Funding target disregarding prescribed at-risk assumptions | **4a** | |
| **b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | **4b** | |
| **5** Effective interest rate | **5** | 6.27% |
| **6** Target normal cost | **6** | 8687670 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

Signature of actuary — Date: 10/17/2016

MONICA D. MARTIN, FSA, EA
Type or print name of actuary

14-07271
Most recent enrollment number

TOWERS WATSON DELAWARE INC.
Firm name

404-365-1581
Telephone number (including area code)

3500 LENOX ROAD SUITE 900
ATLANTA, GA 30326-4238
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 12110977 | 96860055 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 12110977 | 96860055 |
| 10 | Interest on line 9 using prior year's actual return of 10.44% | 1264386 | 10112190 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | **a** Present value of excess contributions (line 38a from prior year) | | 10011303 |
| | **b(1)** Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.48% | | 648732 |
| | **b(2)** Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | **c** Total available at beginning of current plan year to add to prefunding balance | | 10660035 |
| | **d** Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 13375363 | 106972245 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 102.29 % |
| 15 | Adjusted funding target attainment percentage | 15 | 125.23 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 104.96 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 12/29/2015 | 11000000 | 0 | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | Totals ► 18(b) | 11000000 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | **a** Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | 0 |
| | **b** Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | **c** Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 10354490 |

20 Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| | | | |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 4.72 % | 6.11 % | 6.81 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | **21b** | 4 |
| **22** Weighted average retirement age | **22** | 61 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | |
|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | **27** | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|---|---|
| **28** Unpaid minimum required contributions for all prior years | **28** | 0 |
| **29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) | **29** | 0 |
| **30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) | **30** | 0 |

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) | **31a** | 8687670 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 8687670 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount | **33** | 0 |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 10354490 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 10354490 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | **38b** | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | **39** | 0 |
| **40** Unpaid minimum required contributions for all years | **40** | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | **42** | 0 |
| **43** Excess installment acceleration amount to be carried over to future plan years | **43** | 0 |

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2015**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**B** Three-digit plan number (PN) ▶ 009

**C** Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

**D** Employer Identification Number (EIN)
20-2777218

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

NORTHERN TRUST COMPANY

36-1561860

**(b)** Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

RUSSELL INVESTMENTS

91-1175091

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 164975 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-1561860

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 21 | NONE | 134869 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

**(a)** Enter name and EIN or address (see instructions)

WELLINGTON MANAGEMENT CO. LLP

04-2683227

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 120658 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

LSV ASSET MANAGEMENT

23-2772200

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 113781 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

T ROWE PRICE STABLE ASSET MGMT INC.

52-0556948

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 105708 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

WESTERN ASSET MANAGEMENT COMPANY

95-2705767

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 96744 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

PACIFIC INVESTMENT MANAGEMENT COMPA

33-0629048

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 96567 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

BLACKROCK

94-3112180

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 74493 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

LOGAN CIRCLE PARTNERS, LP

20-8262386

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 64731 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

JP MORGAN INVESTMENT MANAGEMENT INC

13-3200244

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 58288 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

ARTISAN PARTNERS LIMITED PARTNERSHI

30-0551775

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 51352 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

LEGAL & GENERAL INVESTMENT

20-8058531

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 48813 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

INTECH INVESTMENT MANAGEMENT LLC

01-0614895

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 31317 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

BARROW HANLEY MEWHINNEY & STRAUSS L

75-2403190

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 24641 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

CLIFFWATER LLC

20-1246914

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 16 | NONE | 24138 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

SPRUCEGROVE INVESTMENT MANAGEMENT L

11-6453953

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 21528 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

VOYAGEUR ASSET MANAGEMENT INC.

41-1460668

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 17774 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

JOHN HANCOCK MUTUAL LIFE INS CO

04-1414660

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 22 | NONE | 15610 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

ROXBURY CAPITAL MANAGEMENT, LLC

95-4686787

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 15393 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

RREEF AMERICA L.L.C.

94-2753537

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 14553 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

CORECOMMODITY MANAGEMENT LLC

65-1211841

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 12057 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

STATE STREET BANK & TRUST CO.

04-1867445

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 9699 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

CREDIT SUISSE ASSET MANAGEMENT

13-3580284

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 | NONE | 6790 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | | |
|---|---|---|---|
| **a** | Name: MICHAEL J. THOMAS, FSA, EA | **b** EIN: | 53-0181291 |
| **c** | Position: ENROLLED ACTUARY | | |
| **d** | Address: 3500 LENOX ROAD SUITE 900<br>ATLANTA, GA 30326 | **e** Telephone: | 404-365-1933 |

Explanation: RE-ASSIGNMENT OF RESPONSIBILITIES WITHIN WILLIS TOWERS WATSON.

| | | | |
|---|---|---|---|
| **a** | Name: MICHAEL J. THOMAS, FSA, EA | **b** EIN: | 53-0181291 |
| **c** | Position: ENROLLED ACTUARY | | |
| **d** | Address: 3500 LENOX ROAD SUITE 900<br>ATLANTA, GA 30326 | **e** Telephone: | 404-365-1933 |

Explanation: RE-ASSIGNMENT OF RESPONSIBILITIES WITHIN WILLIS TOWERS WATSON.

| | | | |
|---|---|---|---|
| **a** | Name: | **b** EIN: | |
| **c** | Position: | | |
| **d** | Address: | **e** Telephone: | |

Explanation:

| | | | |
|---|---|---|---|
| **a** | Name: | **b** EIN: | |
| **c** | Position: | | |
| **d** | Address: | **e** Telephone: | |

Explanation:

| | | | |
|---|---|---|---|
| **a** | Name: | **b** EIN: | |
| **c** | Position: | | |
| **d** | Address: | **e** Telephone: | |

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**B** Three-digit plan number (PN) ▶ 009

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

**D** Employer Identification Number (EIN)
20-2777218

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DUKE ENERGY CORP MASTER TRUST

**b** Name of sponsor of entity listed in (a): DUKE ENERGY CORPORATION

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 20-2777218-005 | M | 594100000 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**B** Three-digit plan number (PN) ▶ 009

**C** Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

**D** Employer Identification Number (EIN)
20-2777218

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 11000000 | 0 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 651600000 | 594100000 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | | |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 11800000 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 674400000 | 594100000 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | 0 | 7600000 |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 7600000 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 674400000 | 586500000 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 11000000 | |
| **(B)** Participants | 2a(1)(B) | | |
| **(C)** Others (including rollovers) | 2a(1)(C) | | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 11000000 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 0 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | -5500000 |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 5500000 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 49200000 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 49200000 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | 24138 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | 1166418 | |
| (4) Other | 2i(4) | 1209444 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 2400000 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 51600000 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -46100000 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | 41800000 |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: MCCONNELL & JONES, LLP **(2)** EIN: 76-0488832

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | | |

| | | Yes | No | N/A | Amount |
|---|---|---|---|---|---|
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | | |
| d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | | |
| e Was this plan covered by a fidelity bond? | 4e | X | | | 25000000 |
| f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | | |
| g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | | |
| h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | | |
| i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | | X | | |
| j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | | |
| k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | | |
| l Has the plan failed to provide any benefit when due under the plan? | 4l | | X | | |
| m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | | |
| n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | | |
| o Did the plan trust incur unrelated business taxable income? | 4o | | | | |
| p Were in-service distributions made during the plan year? | 4p | | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| DYNEGY INC. RETIREMENT PLAN | 20-5653153 | 008 |
| DYNEGY INC. FROZEN RETIREMENT BENEFIT PLAN | 13-3554926 | 004 |
| | | |
| | | |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☒ Yes ☐ No ☐ Not determined

## Part V Trust Information

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

| **6c** Name of trustee or custodian | **6d** Trustee's or custodian's telephone number |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN

**B** Three-digit plan number (PN) ▶ 009

**C** Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

**D** Employer Identification Number (EIN)
20-2777218

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 36-3046063

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3** 50

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☒ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: 27.0% Investment-Grade Debt: 62.0% High-Yield Debt: 0.0% Real Estate: 1.0% Other: 10.0%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

## Part VII IRS Compliance Questions

| | | |
|---|---|---|
| **20a** Is the plan a 401(k) plan? | ☐ Yes | ☐ No |
| **20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? | ☐ Design-based safe harbor method | ☐ ADP/ACP test |
| **20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? | ☐ Yes | ☐ No |
| **21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): | ☐ Ratio percentage test | ☐ Average benefit test |
| **21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? | ☐ Yes | ☐ No |
| **22a** Has the plan been timely amended for all required tax law changes? | ☐ Yes | ☐ No ☐ N/A |

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

| | | |
|---|---|---|
| **23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? | ☐ Yes | ☐ No |

# Cinergy Corp. Union Employees' Retirement Income Plan

## Independent Auditors' Report and Financial Statements

## December 31, 2015 and 2014

# Cinergy Corp. Union Employees' Retirement Income Plan
# Table of Contents
# December 31, 2015 and 2014

**Independent Auditors' Report** 1

**Financial Statements**

Statements of Net Assets Available for Benefits 3

Statement of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5

MJ
McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

# Independent Auditors' Report

To the Benefits Committee of Duke Energy Corporation and Participants in
the Cinergy Corp. Union Employees' Retirement Income Plan:

***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of the Cinergy Corp. Union Employees' Retirement Income Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2015 and 2014, and the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2015, and the related Notes to Financial Statements.

***Plan Management's Responsibility for the Financial Statements***

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America (US GAAS). Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), Plan management instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Northern Trust Company (Trustee), the trustee of the Plan and the Duke Energy Corporation Master Trust in which the Plan has a beneficial interest, except for comparing such information with the related information included in the financial statements. We have been informed by Plan management that the Trustee holds the investment assets of the Plan in the Duke Energy Corporation Master Trust and executes investment transactions. Plan management has obtained a certification from the Trustee as of December 31, 2015 and 2014 and for the year ended December 31, 2015, that the information provided to Plan management by the Trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

4828 Loop Central Drive
Suite 1000
Houston, TX 77081
Phone: 713.968.1600
Fax: 713.968.1601

WWW.MCCONNELLJONES.COM

***Report on Form and Content in Compliance with DOL Rules and Regulations***

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, has been audited by us in accordance with US GAAS and, in our opinion, is presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under ERISA.

McConnell & Jones LLP

Houston, Texas
October 15, 2016

# Cinergy Corp. Union Employees' Retirement Income Plan
## Statements of Net Assets Available for Benefits
## December 31, 2015 and 2014
**(in millions)**

| | 2015 | 2014 |
|---|---|---|
| **Assets:** | | |
| **Investments at fair value:** | | |
| Plan interest in Duke Energy Corporation Master Retirement Trust | $ 583.9 | $ 651.6 |
| Net assets held in 401(h) account | 10.2 | 11.8 |
| Total investments | 594.1 | 663.4 |
| **Receivables:** | | |
| Employer contribution | - | 11.0 |
| Total receivables | - | 11.0 |
| Total assets | 594.1 | 674.4 |
| **Liabilities:** | | |
| Payable to Dynegy | 7.6 | - |
| Amounts related to obligation of 401(h) account | 10.2 | 11.8 |
| Total liabilities | 17.8 | 11.8 |
| **Net Assets Available for Benefits** | $ 576.3 | $ 662.6 |

# Cinergy Corp. Union Employees' Retirement Income Plan
## Statement of Changes in Net Assets Available for Benefits
## For the Year Ended December 31, 2015
**(in millions)**

| | | |
|---|---|---|
| **Additions:** | | |
| Plan interest in Duke Energy Corporation Master Retirement Trust net loss | $ | (3.9) |
| Employer contribution | | 11.0 |
| Total additions | | 7.1 |
| **Deductions:** | | |
| Benefits paid directly to participants | | 49.2 |
| Administrative expenses | | 2.4 |
| Total deductions | | 51.6 |
| Net Decrease Prior to Transfers | | (44.5) |
| Net Transfer From (To) Other Plans Dynegy, Inc | | (41.8) |
| Net Increase After Transfers | | (86.3) |
| **Net Assets Available for Benefits – Beginning of Year** | | 662.6 |
| **Net Assets Available for Benefits – End of Year** | $ | 576.3 |

## Note 1: Description of the Plan

The following description of the Cinergy Corp. Union Employees' Retirement Income Plan (the Plan), is provided for general information purposes only. Participants should refer to the Summary Plan Description and Plan document for more complete information.

### *General*

The Plan is a noncontributory defined benefit pension plan covering employees of Duke Energy Corporation (Duke Energy) and participating affiliates (collectively referred to as the Employing Company) represented by the following collective bargaining organizations:

- Utility Workers Union of America, Local 600
- International Brotherhood of Electrical Workers, Local 1347
- United Steelworkers of America, Local 12049 and Local 5541-06

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

### *Plan Transfer*

On April 2, 2015, Duke Energy completed the sale of the nonregulated Midwest generation business and Duke Energy Retail Sales, LLC (collectively the Disposal Group) to Dynegy Inc. (Dynegy). As part of this transaction, Plan assets related to the participants who were involved in the business spin off were transferred to the Dynegy Inc. Retirement Plan. The retirement plan transfer amount for the Plan was $41.8 million of which $34.2 million was transferred in May 2015. It was later determined that a true-up amount of assets was still expected to be paid from the Plan. Willis Towers Watson provided the true-up amounts, which were not transferred out of the trust until May 1, 2016. As a result, the fair value of assets reported by Northern Trust at December 31, 2015 included approximately $7.6 million in assets that were later transferred to Dynegy Inc. Retirement Plan.

### *Pension Benefits*

For employees with a traditional formula benefit, the benefit is generally calculated based on the participant's years of participation and final three-year average annual pension-eligible earnings. Annual compensation that may be considered for benefit purposes is limited to a maximum amount ($265,000 for 2015 and subject to adjustment in subsequent years by the Internal Revenue Service (IRS) for increases in the cost of living). The Plan permits early retirement at age 50 with three years of service. Employees may elect to receive their pension benefits in annuity forms, or if eligible, in a lump sum form. If employees terminate before rendering three years of service, they generally forfeit the right to receive their accumulated plan benefits.

Under the Plan's cash balance benefit accrual formula, records are maintained on a notional account basis. For each month that a participant is an eligible employee, the participant's account receives a pay credit based upon the participant's eligible compensation for the month multiplied by a percentage that ranges from 4% to 7% depending upon the sum of the participant's age and years of creditable service. An additional 4% applies to eligible compensation for the month in excess of 1/12th of the social security wage base. Annual compensation that may be considered for benefit purposes is limited to a maximum amount ($265,000 for 2015 and subject to adjustment in subsequent years by the Internal Revenue Service (IRS) for increases in the cost of living). The

participant's account also receives monthly interest credits generally based upon a monthly rate of 0.327% on the account's balance. Employees hired on or after January 1, 2003 and who are eligible to participate in the plan, are required to participate in the cash balance formula of the Plan. Participants become eligible to receive a vested benefit from the Plan upon retirement or termination of employment. Generally, normal retirement requires employment (with Duke Energy and its participating or non-participating affiliated companies) until age 65 and for early retirement, until at least age 55 with at least three years of vesting service. If employees terminate before rendering three years of service, they generally forfeit the right to receive their accumulated plan benefits.

Vesting service determines the right to receive a benefit if employment ends before qualifying for normal or early retirement. An employee becomes vested under the Plan after completion of three years of vesting service or upon death, disability or attainment of age 65 while employed by Duke Energy and its participating and non-participating affiliated companies. Vesting service does not begin before age 18.

Participants in the cash balance formula are eligible to take a distribution of their vested cash balance account in the Plan whenever they leave the Employing Company, at any age, for any reason. Upon retirement, a participant may elect to receive a lump sum distribution or an annuity. A terminated vested participant may elect to begin receiving a benefit as provided in the Plan document. Generally, participants must start receiving their benefit no later than April 1 following the later of the year in which they attain age 70½ or terminate employment.

If before benefit payment has begun, a vested, married participant dies and no designation of a non-spouse beneficiary has been made, the participant's surviving spouse has the option to take the participant's vested benefit immediately as a lump sum or as a single life annuity or defer the benefit until no later than April 1 following the year in which the participant would have attained age 70½. Should the deceased participant be single, the participant's beneficiary must receive the participant's vested benefit immediately as a lump sum. If a participant receiving a benefit dies, a death benefit is only payable if provided by the optional form of payment in effect.

***401 (h) Account***

On September 12, 2007, the Plan was amended to clarify provisions permitting, under Section 401(h) of the Internal Revenue Code (IRC) the funding of postretirement medical benefits in a separate trust account, and in 2007, the Employing Company commenced such funding. Employing Company contributions are discretionary and are determined annually. No contributions were made by the Employing Company to the Cinergy Union Employees' Retirement Income Plan 401(h) account in 2015. Participants do not contribute to the 401(h) account. Payment of benefits from the 401(h) account, which began in 2015, is limited to medical expenses reimbursable under retiree coverage provided by the Duke Energy Retiree Medical Plan, The Connector Program, Duke Energy Corporation Nuclear Health Reimbursement Account Opportunity Plan, and/or Duke Energy Corporation Post- Retirement Health Reimbursement Account Program ("Medical Plan"). Other Plan assets may not be used to fund postretirement medical benefits and the 401(h) account may not be used to fund Plan retirement benefits. The obligations of the Medical Plan are not obligations of the Plan. The Medical Plan's obligations are reflected in the financial statements of that plan.

## Note 2: Summary of Significant Accounting Policies

### *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (US GAAP).

### *Use of Estimates*

The preparation of the financial statements in conformity with US GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

### *Risks and Uncertainties*

The Plan invests in various investment securities that are exposed to various risks, such as interest rates, credit, and overall market volatility. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that some changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates in the near term would be material to the financial statements.

### *Investment Valuation and Income Recognition*

Investments of the Plan are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of the Plan's interest in the Duke Energy Corporation Master Retirement Trust (Master Trust) (see Note 3) is based on the Plan's interest in the underlying assets in the Master Trust. See Note 4 for discussion of fair value measurements.

Realized and unrealized gains and losses are based on the value of these investments as of the later of the beginning of the plan year or at the time of purchase, if purchased during the year, and are reflected currently in the accompanying Statements of Changes in Net Assets Available for Benefits. Purchases and sales of securities are recorded on a settlement-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment income from the Master Trust, which includes interest, dividends and realized and unrealized gains and losses, net of administrative expenses, is allocated to each Plan by the trustee on a pro rata basis. Brokerage fees are added to the acquisition cost of assets purchased and subtracted from the proceeds of the assets sold.

***Derivative Financial Instruments***

The Master Trust holds various instruments that meet the definition of a derivative under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 815, *Derivatives and Hedging*, (FASB ASC 815), including foreign currency contracts and interest rate swaps. The Plan's primary objective in holding these derivatives is investment appreciation and, accordingly, does not designate such derivatives as hedges of risks. Foreign currency exchange rate movements create a degree of risk by affecting the US dollar value of instruments denominated in foreign currencies. Such derivatives are recorded in the accompanying Statements of Net Assets Available for Benefits at their fair value, and changes in fair value are recorded in the Plan interest in Master Trust net income in the accompanying Statement of Changes in Net Assets Available for Benefits.

***Contributions***

Contributions to the Plan are recorded in the period that the Plan's actuary determines they relate to except that a contribution receivable is recorded to the extent that amounts due are pursuant to formal commitments as well as legal or contractual requirements in existence at the end of the Plan year.

***Benefit Payments***

Benefit payments to participants or their beneficiaries are recorded when paid.

***Administrative Expenses***

The Plan pays all investment fees related to the Plan and most other administrative costs, as provided in the Plan document.

***Plan Management's Review of Subsequent Events***

In preparing the accompanying financial statements, Plan management has reviewed all known events that have occurred after December 31, 2015, and through October 15, 2016, the date the financial statements were available to be issued, for inclusion in the financial statements and footnotes.

***Recently Adopted Accounting Pronouncements***

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. Impacting reporting entities that measure an investment's fair value using the net asset value per share (or an equivalent) practical expedient, the amendments in ASU No. 2015-07 eliminate the requirement to classify the investment within the fair value hierarchy. Instead, an entity would be required to include those investments in the disclosure so that the total fair value of investment amount is consistent with the fair value investment balance on the Statement of Net Assets Available for Benefits. For the Plan, the amendments in ASU No. 2015-07 are effective on a retrospective basis for fiscal years starting after December 15, 2015, with early adoption permitted. Plan management has elected to adopt ASU 2015-07 as of and for the year ended December 31, 2015. Accordingly, investments for which fair value is measured using net asset value per share as a practical expedient have not been categorized within the fair value hierarchy.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans

(Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I is not applicable to the plan. Part II simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Plan management has elected not to adopt Part II as of and for the year ended December 31, 2015.

**Note 3: Investments (Certified by Trustee)**

Duke Energy also sponsors the Duke Energy Retirement Cash Balance Plan, which covers legacy Duke Energy employees, legacy Cinergy non-union employees, and employees represented by the International Brotherhood of Electrical Workers, Local 1393. Investments of the Duke Energy Retirement Cash Balance Plan are also held in the Master Trust.

Florida Progress Corporation sponsors the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation, which covers bargaining unit employees of the Employing Company. During 2015 Progress Energy, Inc. also sponsored the Progress Energy Pension Plan which covers certain legacy non-union employees of Progress Energy and its participating affiliated companies. Investments related to both of these plans are also held in the Master Trust.

The Master Trust has the following Plans and accounts with their respective percentages as of December 31, 2015 and 2014:

| | 2015 | 2014 |
|---|---|---|
| Duke Energy Retirement Cash Balance Plan | 84.07 | 54.94 |
| Duke Energy Retirement Cash Balance Plan 401(h) account | 1.88 | 1.54 |
| Cinergy Corp. Union Employees' Retirement Income Plan | 7.02 | 7.51 |
| Cinergy Corp. Union Employees' Retirement Income Plan 401(h) account | 0.12 | 0.52 |
| Progress Energy Pension Plan | - | 28.88 |
| Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation | 6.91 | 6.61 |
| | 100.00 | 100.00 |

Investment income and administrative expenses relating to the Master Trust are allocated based on average monthly balances invested by each, other than items specific to one or the other.

Plan investments are received, invested and held by the trustee. The Plan interest in the Master Trust of $583.9 million and $651.6 million represent 5% or more of the Plan's net assets available for benefits as of December 31, 2015 and 2014, respectively.

The following presents the Statements of Net Assets Available for Benefits of the Master Trust as of December 31, 2015 and 2014 (in millions):

| | 2015 | 2014 |
|---|---|---|
| **Investments, at fair value:** | | |
| Interest bearing cash | $ 192.2 | $ 171.3 |
| US Government securities | 547.5 | 605.0 |
| Corporate bonds | 3,385.9 | 4,367.7 |
| Preferred bonds | 983.8 | - |
| Common stock | 1,435.1 | 1,596.1 |
| Preferred stock | 7.8 | 10.3 |
| Mutual Funds | - | 87.8 |
| Common collective trust | 783.8 | 757.4 |
| 103-12 Investments | 90.4 | 106.5 |
| Insurance company general account | 30.9 | 32.3 |
| Partnership / Joint Ventures | 284.7 | 303.1 |
| Other assets | 529.4 | 565.2 |
| Non-interest bearing cash | 12.7 | 33.6 |
| Total investments | 8,284.2 | 8,636.3 |
| Receivables | 130.1 | 66.5 |
| **Total Assets** | 8,414.3 | 8,702.8 |
| **Liabilities:** | | |
| Payables to Dynegy | 12.6 | - |
| Payables for securities purchased | 101.6 | 25.6 |
| **Total Liabilities** | 114.2 | 25.6 |
| **Net Assets** | $ 8,300.1 | $ 8,677.2 |

The following presents the Statement of Changes in Net Assets Available for Benefits of the Master Trust for the year ended December 31, 2015 (in millions):

| | | |
|---|---|---|
| **Additions:** | | |
| **Net appreciation (depreciation) in fair value of investments:** | | |
| Common stock | $ | (263.9) |
| Common/collective trusts | | 8.9 |
| 103-12 investment entities | | (16.0) |
| Registered investment companies (mutual funds) | | - |
| Other investments | | 4.7 |
| Total net appreciation (depreciation) in fair value of investments | | (266.3) |
| Interest | | 212.7 |
| Dividends | | 34.3 |
| Total additions | | (19.3) |
| **Deductions:** | | |
| Administrative expenses | | 12.7 |
| **Net Decrease Prior to Transfers** | | (32.0) |
| Transfers in | | 2,719.9 |
| Transfers out | | 3,065.0 |
| **Net transfers** | | (345.1) |
| **Net Decrease After Transfers** | | (377.1) |
| **Net Assets – Beginning of Year** | | 8,677.2 |
| **Net Assets – End of Year** | $ | 8,300.1 |

None of the Master Trust's individual investments represent 5% or more of the Master Trust's net assets available for benefits as of December 31, 2015 and 2014.

**Note 4: Fair Value Measurements**

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, (FASB ASC 820) defines fair value, establishes a framework for measuring fair value in US GAAP and expands disclosure requirements about fair value measurements. Under FASB ASC 820, fair value is considered to be the exchange price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date. The fair value definition under FASB ASC 820 focuses on an exit price, which is the price that would be received by the Plan to sell an asset or paid to transfer a

liability versus an entry price, which would be the price paid to acquire an asset or received to assume a liability. Although FASB ASC 820 does not require additional fair value measurements, it applies to other accounting pronouncements that require or permit fair value measurements.

The amended guidance of FASB Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* has been early-adopted by management. See note 2 for information on recent accounting pronouncements.

The Plan determines fair value of financial assets and liabilities based on the following fair value hierarchy, as prescribed by FASB ASC 820, which prioritizes the inputs to valuation techniques used to measure fair value into three levels:

*Level 1*
Unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access. An active market for the asset or liability is one in which transactions for the asset or liability occurs with sufficient frequency and volume to provide ongoing pricing information.

*Level 2*
Inputs other than quoted market prices included in Level 1 that are observable, either directly or indirectly, for the asset or liability. Level 2 inputs include, but are not limited to, quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted market prices that are observable for the asset or liability, such as interest rate curves and yield curves observable at commonly quoted intervals, volatilities, credit risk and default rates.

*Level 3*
Unobservable inputs for the asset or liability. Unobservable inputs reflect the Plan's own assumptions about the factors that other market participants would use in pricing an investment that would be based on the best information available in the circumstances.

The following is a description of the valuation methodologies used for investments measured at fair value for the Master Trust. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Equity securities, corporate debt securities and US government securities:* Valued at the closing price in the principal active market in which the individual securities are traded. Principal active markets include published exchanges such as NASDAQ, NYSE, NYMEX and Chicago Board of Trade, as well as pink sheets, which is an electronic quotation system that displays quotes for broker-dealers for many over-the-counter securities.
*Government and commercial mortgage backed securities:* Valued based on external price data obtained from third party vendors. When position specific external price data are not observable, the valuation is based on comparable securities. When external pricing data is observable, the securities are categorized in Level 2. When the external pricing data is unobservable, the securities are categorized as Level 3.

*Short- term investment funds:* Valued based on quoted market prices of the securities in the funds.

*Real estate limited Partnerships:* Valued based upon property appraisal reports prepared by independent real estate appraisers. The Chief Real Estate Appraiser of the asset manager is responsible for assuring that the valuation process provides independent and reasonable property market value estimates. An external appraisal management firm not affiliated with the asset manager has been appointed to assist the Chief Real Estate Appraiser in maintaining and monitoring the independence and the accuracy of the appraisal process.

*Hedge fund:* Valued based on the value provided to the asset manager by the underlying fund. Values of liquid funds are based on observable inputs such as quoted market prices. Values of illiquid funds are based on observable or unobservable inputs to determine the value that might reasonably expect to be received in the normal course of business. If due diligence performed by the asset manager determines the value provided the underlying fund does not represent fair value, the asset manager may consult with its valuation committee in determining fair value.

*Interest rate swaps and foreign currency contracts:* These instruments are traded in over-the-counter markets. Valuation inputs include interest rate curves, LIBOR yield curve, foreign exchange spot rates, equity prices/equity index prices, volatility and index dividend yields.

The following tables provide by level, within the fair value hierarchy, the Master Trust investments, at fair value as of December 31, 2015 and 2014 (in millions):

| | December 31, 2015 | | | | |
|---|---|---|---|---|---|
| | **Total Fair Value** | **Level 1** | **Level 2** | **Level 3** | **NAV** |
| Equity securities | $ 2,159.3 | $ 1,469.6 | $ 1.9 | $ – | $ 687.8 |
| Corporate debt securities | 4,361.7 | – | 4,361.7 | – | – |
| Short-term investment funds | 404.3 | 192.2 | 212.1 | – | – |
| Partnerships | 184.9 | – | – | – | 184.9 |
| Hedge fund | 209.9 | – | – | – | 209.9 |
| Real estate limited Partnerships | 118.0 | – | – | – | 118.0 |
| US government securities | 747.5 | – | 747.5 | – | – |
| Guaranteed investment contracts | 30.9 | – | – | 30.9 | – |
| Government bonds - foreign | 34.6 | – | 34.1 | 0.5 | – |
| Cash | 10.0 | 10.0 | – | – | – |
| Government and commercial mortgage-backed securities | 9.2 | – | 9.2 | – | – |
| Net pending transactions and other investments | (29.1) | (36.9) | 7.8 | – | – |
| Total assets | $ 8,241.2 | $ 1,634.9 | $ 5,374.3 | $ 31.4 | $ 1,200.6 |

| | December 31, 2014 | | | | |
|---|---|---|---|---|---|
| | **Total Fair Value** | **Level 1** | **Level 2** | **Level 3** | **NAV** |
| Equity securities | $ 2,345.4 | $ 1,624.8 | $ 2.2 | $ – | $ 718.4 |
| Corporate debt securities | 4,349.8 | – | 4,348.5 | 1.3 | – |
| Short-term investment funds | 337.1 | 171.2 | 165.9 | – | – |
| Partnerships | 205.2 | – | – | – | 205.2 |
| Hedge fund | 238.5 | – | – | – | 238.5 |
| Real estate limited Partnerships | 104.4 | – | – | – | 104.4 |
| US government securities | 916.0 | – | 915.1 | 0.9 | – |
| Guaranteed investment contracts | 32.2 | – | – | 32.2 | – |
| Government bonds - foreign | 45.0 | – | 45.0 | - | – |
| Cash | 29.8 | 29.8 | – | – | – |
| Government and commercial mortgage-backed securities | 9.1 | – | 9.1 | – | – |
| Net pending transactions and other investments | 5.9 | (10.4) | 16.3 | – | – |
| Total assets | $ 8,618.4 | $ 1,815.4 | $ 5,502.1 | $ 34.4 | $ 1,266.5 |

The following table provides a reconciliation of beginning and ending balances of investments measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3) for the year ended December 31, 2015 (in millions):

| | **2015** |
|---|---|
| Balance as of December 31, 2014 | $ 34.4 |
| Sales | (3.0) |
| **Balance as of December 31, 2015** | $ 31.4 |

The Plan's share in gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the Master Trust's Statement of Changes in Net Assets Available for Benefits.

**Note 5: Net Asset Value (NAV) Per Share**

Under the amended guidance of FASB Accounting Standards Update (ASU) No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (ASU 2009-12), entities are permitted, as a practical expedient, to estimate the fair value of investments within its scope using the NAV per share of the investment as of the reporting entity's measurement dates. The amended guidance also requires additional disclosures to better enable users of the financial statements to understand the nature and risks of the reporting entity's investments that fall under these rules. In accordance with ASU 2009-12, the Plan expanded its disclosure to include the

category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the NAV per share or its equivalent for which the fair value is not readily determinable. For the Plan, such assets are comprised of an investment in a hedge fund.
The following table sets forth a summary of Master Trust investments with a reported estimated fair value using the NAV per share as of December 31, 2015 and 2014 (in millions):

| | 2015 | 2014 | Unfunded Commitment | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|---|---|
| Equity securities - Common stock funds (a) | $ 687.8 | $ 718.4 | $ - | Immediate to periodic | 45-370 days |
| Equity securities - Partnerships (b) | 184.9 | 205.2 | 55.4 | Non-redeemable | 95 days |
| Hedge funds (c) | 209.9 | 238.5 | - | Quarterly/semi-Annual | 45-95 days |
| Real estate limited partnership (d) | $ 118.0 | $ 104.4 | $ - | Quarterly | 45 days |

(a) This category consists of institutional funds. Investments of approximately 87% of the total fair value at December 31, 2015 are redeemable either immediately or monthly. Investments of approximately 13% of this category contain liquidity restrictions and require redemption notices ranging from 60-120 days.

(b) This category consists of private equity partnership funds that invest in private equity limited partnerships. The investments in this category are non-redeemable.

(c) This category consists primarily of investments in privately offered hedge funds managed by unaffiliated investment managers. For approximately 54% of this category, quarterly redemptions in excess of 20% may be partially funded, based on the Hedge fund's board of director's decision, on a pro rata basis in proportion to all other hedge fund investees, with 91 days' notice. Investments of approximately 46% of the total fair value at December 31, 2015 are semi-redeemable (at June 30th/December 31st) with 90 days written notice. At its discretion, the partnership's board of directors may apply a 25% fund-level gate.

(d) This category consists of real estate investment funds that invest in portfolios of commercial and residential real estate assets. For this category, fund participants may withdraw from the fund once per quarter subject to available cash, as determined by the Trustee. A written withdrawal request is required 45 days prior to quarter end. To the extent that withdrawal requests exceed available cash, distributions are made on a pro rata basis.

## Note 6: Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Traditional benefits under the Plan are based on the participant's years of participation and generally the final three-year average annual pension-eligible earnings. The accumulated plan benefits for active employees are generally based on their average compensation during the three years ending on the date as of which the benefit information is presented (valuation date). Cash balance benefits are based upon the participant's notional account balance as of the

valuation date. Benefits payable under all circumstances (i.e., retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered through the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation dates and the expected date of payment. The effect of Plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective.

The significant actuarial assumptions used in the valuations as of January 1, 2016 were:

| | |
|---|---|
| Discount Rate: | 6.50% |
| Mortality: | RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale BB-2D, with rates increased by 13% |
| Interest Crediting: | 4.25% per annum |

The significant actuarial assumptions used in the valuations as of January 1, 2015 were:

| | |
|---|---|
| Discount Rate: | 6.50% |
| Mortality: | RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale BB-2D, with rates increased by 13% |
| Interest Crediting: | 4.25% per annum |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefit information as of January 1, 2016 and 2015 is as follows (in millions):

| | 1/1/2016 | 1/1/2015 |
|---|---|---|
| **Vested benefits:** | | |
| Participants and/or beneficiaries currently receiving benefits | $ 292.8 | $ 286.6 |
| Other participants | 172.5 | 222.5 |
| Total vested benefits | 465.3 | 509.1 |
| Nonvested benefits | 14.4 | 26.9 |
| **Total Actuarial Present Value of Accumulated Plan Benefits** | $ 479.7 | $ 536.0 |

The changes in the actuarial present value of the Plan's accumulated plan benefits are as follows (in millions):

| | | |
|---|---|---|
| **Actuarial present value of accumulated plan benefits as of January 1, 2015** | $ | 536.0 |
| **Increase (decrease) during the year attributable to:** | | |
| Passage of time | | 33.8 |
| Change in actuarial assumptions | | (1.3) |
| Benefits accumulated and actuarial experience | | 0.7 |
| Benefits paid | | (49.2) |
| Transfer for MW Commercial Gen pension spin-off | | (40.3) |
| Net decrease | | (56.3) |
| **Actuarial Present Value of Accumulated Plan Benefits as of January 1, 2016** | $ | 479.7 |

**Note 7: Funding Policy**

The Employing Company's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefits to be paid to plan participants. Contributions to provide benefits under the Plan are made solely by the Employing Company. No contributions by the Employing Company were necessary in 2015 to meet the minimum funding requirements of ERISA. The Employing Company made $11 million in voluntary contributions in 2015. No contributions were made by the Employing Company to the Cinergy Union Employees' Retirement Income Plan 401(h) account in 2015.

**Note 8: Plan Termination**

Although it has not expressed any intent to do so, Duke Energy has the right under the Plan, to discontinue contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event of any termination of the Plan or upon complete or partial discontinuance of contributions, each participant shall become fully vested, and the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations there under and the Plan document, generally to provide the following benefits in the order indicated:

a. Benefits attributable to employee contributions, taking into account those paid out before termination.
b. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
c. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a US government agency) up to the applicable limitations (discussed subsequently).

d. All other vested benefits (that is, vested benefits not insured by the PBGC).
e. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC, if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide these benefits, the priority of those benefits to be paid and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided by the then existing assets and the PBGC guaranty while other benefits may not be provided at all.

**Note 9: Federal Income Tax Status**

The Plan is intended to qualify under section 401(a) of the IRC and the Master Trust is intended to be exempt from tax under section 501(a) of the IRC. The IRS has determined and informed the Employing Company by letter dated April 23, 2014 that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since receiving the determination letter. The Employing Company and the Plan administrator believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and Master Trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

US GAAP requires Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Plan management believes it is no longer subject to income tax examinations for years prior to 2012.

**Note 10: Exempt Party-in-Interest Transactions**

Northern Trust manages the Master Trust. Northern Trust is also trustee of the Plan. Therefore, these transactions qualify as party-in-interest transactions; however, they are exempt from prohibited transaction rules under ERISA. Administrative expenses paid by the Plan were approximately $2.4 million for the year ended December 31, 2015.

**Note 11: Plan Changes**

An amendment to the Plan, adopted on May 27, 2014, updates the postretirement medical benefit plans for which payments are made from the Cinergy Corp. Union Employees' Retirement Income Plan 401(h) account.

An amendment to the Plan, adopted on December 19, 2014 provides for the following:

- Reflects the changes under the new collective bargaining agreement with Local International Brotherhood of Electrical Workers, Local 1347
- Spins off assets and liabilities for participants transferred to the Dynegy Inc. Retirement Plan as part of the sale of the Midwest Commercial Generation business
- Provides for the automatic revocation of spousal beneficiary designations upon divorce
- Modifies the employee transfer provisions
- Provides additional benefit accrual to participants who die during qualified military service
- Provides for immediate payment to an alternate payee of the Duke Account benefit
- Updates the list of affiliated sponsors
- Clarifies certain other provisions

An amendment to the Plan, adopted on December 18, 2015, provides for the following:

- Clarifies the timing of elections
- Clarifies the provisions regarding employee transfers
- Adds Pension Protection Act hybrid interest rate provisions
- Updates the list of adopting employers
- Reflects bargaining changes for UWUA 600 employees
- Makes certain other clarifications

An amendment to the Plan, adopted on September 21, 2016, excludes certain Piedmont Company employees from participation and credits certain service with the Piedmont Company under the Plan

**Note 12: Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits per the Form 5500 to the financial statements as of December 31, 2015 and 2014 (in millions):

| | 2015 | 2014 |
|---|---|---|
| Net assets per the Form 5500 | $ 586.5 | $ 674.4 |
| Net assets held in 401(h) account included as assets in Form 5500 | (10.2) | (11.8) |
| **Net Assets Available for Benefits per the Financial Statements** | $ 576.3 | $ 662.6 |

The following is a reconciliation of the changes in net assets per the Form 5500 to the financial statements for the year ended December 31, 2015 (in millions):

| | |
|---|---|
| Net loss before transfers per Form 5500 | $ (46.1) |
| Less: Net decrease in 401(h) net assets | (1.6) |
| **Net decrease before transfers per the Financial Statements** | $ (44.5) |

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
## Cinergy Corp. Union Employees' Retirement Income Plan
## EIN: 20-2777218/PN: 009
## Schedule SB, Line 26 — Schedule of Active Participant Data for participants with cash balance accounts

| | | Total Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Attained Age** | | **<1** | **1 to 4** | **5 to 9** | **10 to 14** | **15 to 19** | **20 to 24** | **25 to 29** | **30 to 34** | **35 to 39** | **40 & up** |
| <25 | Count | 14 | 17 | 1 | | | | | | | |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 25 to 29 | Count | 27 | 61 | 31 | 1 | | | | | | |
| | Average Cash Balance | 1,211 | 6,308 | 15,854 | | | | | | | |
| | | | | | | | | | | | |
| 30 to 34 | Count | 9 | 59 | 45 | 21 | 1 | | | | | |
| | Average Cash Balance | | 7,937 | 19,484 | 21,621 | | | | | | |
| | | | | | | | | | | | |
| 35 to 39 | Count | 6 | 34 | 39 | 51 | 12 | | | | | |
| | Average Cash Balance | | 8,876 | 23,371 | 29,537 | | | | | | |
| | | | | | | | | | | | |
| 40 to 44 | Count | 5 | 17 | 28 | 45 | 24 | 24 | 9 | | | |
| | Average Cash Balance | | | 23,535 | 31,637 | 35,956 | 37,976 | | | | |
| | | | | | | | | | | | |
| 45 to 49 | Count | 5 | 18 | 17 | 41 | 16 | 47 | 118 | 4 | | |
| | Average Cash Balance | | | | 36,660 | | 42,977 | 40,504 | | | |
| | | | | | | | | | | | |
| 50 to 54 | Count | 1 | 7 | 11 | 9 | 15 | 42 | 98 | 24 | 13 | |
| | Average Cash Balance | | | | | | 40,174 | 46,850 | 56,591 | | |
| | | | | | | | | | | | |
| 55 to 59 | Count | | 4 | 12 | 16 | 4 | 16 | 44 | 17 | 44 | 2 |
| | Average Cash Balance | | | | | | | 54,142 | | 55,256 | |
| | | | | | | | | | | | |
| 60 to 64 | Count | | 1 | 1 | 3 | 3 | 1 | 16 | 2 | 5 | 4 |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 65 to 69 | Count | | | | 1 | | 1 | 1 | | | 2 |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 70 & up | Count | | | | | | | 1 | | | |
| | Average Cash Balance | | | | | | | | | | |

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN: 20-2777218/PN: 009
# Schedule SB, Line 26 — Schedule of Active Participant Data

| | | Total Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Attained Age** | | **<1** | **1 to 4** | **5 to 9** | **10 to 14** | **15 to 19** | **20 to 24** | **25 to 29** | **30 to 34** | **35 to 39** | **40 & up** |
| <25 | Count | 14 | 17 | 1 | | | | | | | |
| | Average Earnings | | | | | | | | | | |
| | | | | | | | | | | | |
| 25 to 29 | Count | 27 | 61 | 31 | 1 | | | | | | |
| | Average Earnings | 54,426 | 59,314 | 75,941 | | | | | | | |
| | | | | | | | | | | | |
| 30 to 34 | Count | 9 | 59 | 46 | 21 | 1 | | | | | |
| | Average Earnings | | 70,248 | 77,939 | 80,848 | | | | | | |
| | | | | | | | | | | | |
| 35 to 39 | Count | 6 | 35 | 39 | 51 | 12 | | | | | |
| | Average Earnings | | 66,074 | 80,587 | 89,673 | | | | | | |
| | | | | | | | | | | | |
| 40 to 44 | Count | 5 | 17 | 28 | 45 | 24 | 24 | 9 | | | |
| | Average Earnings | | | 81,868 | 89,614 | 88,328 | 84,433 | | | | |
| | | | | | | | | | | | |
| 45 to 49 | Count | 5 | 18 | 17 | 41 | 16 | 47 | 118 | 5 | | |
| | Average Earnings | | | | 89,758 | | 88,958 | 84,936 | | | |
| | | | | | | | | | | | |
| 50 to 54 | Count | 1 | 7 | 11 | 9 | 15 | 45 | 142 | 43 | 43 | |
| | Average Earnings | | | | | | 84,550 | 86,148 | 79,251 | 82,875 | |
| | | | | | | | | | | | |
| 55 to 59 | Count | | 4 | 12 | 15 | 4 | 21 | 101 | 39 | 102 | 5 |
| | Average Earnings | | | | | | 81,968 | 83,158 | 80,148 | 80,020 | |
| | | | | | | | | | | | |
| 60 to 64 | Count | | 1 | 1 | 3 | 3 | 4 | 29 | 9 | 21 | 19 |
| | Average Earnings | | | | | | | 72,806 | | 77,578 | |
| | | | | | | | | | | | |
| 65 to 69 | Count | | | | 1 | | 2 | 3 | 1 | 1 | 3 |
| | Average Earnings | | | | | | | | | | |
| | | | | | | | | | | | |
| 70 & up | Count | | | | | | | 1 | | | 1 |
| | Average Earnings | | | | | | | | | | |

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
## Cinergy Corp. Union Employees' Retirement Income Plan
## EIN: 20-2777218/PN: 009
## Schedule SB, Line 26 — Schedule of Active Participant Data for participants with cash balance accounts

| | | Total Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Attained Age** | | **<1** | **1 to 4** | **5 to 9** | **10 to 14** | **15 to 19** | **20 to 24** | **25 to 29** | **30 to 34** | **35 to 39** | **40 & up** |
| <25 | Count | 14 | 17 | 1 | | | | | | | |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 25 to 29 | Count | 27 | 61 | 31 | 1 | | | | | | |
| | Average Cash Balance | 1,211 | 6,308 | 15,854 | | | | | | | |
| | | | | | | | | | | | |
| 30 to 34 | Count | 9 | 59 | 45 | 21 | 1 | | | | | |
| | Average Cash Balance | | 7,937 | 19,484 | 21,621 | | | | | | |
| | | | | | | | | | | | |
| 35 to 39 | Count | 6 | 34 | 39 | 51 | 12 | | | | | |
| | Average Cash Balance | | 8,876 | 23,371 | 29,537 | | | | | | |
| | | | | | | | | | | | |
| 40 to 44 | Count | 5 | 17 | 28 | 45 | 24 | 24 | 9 | | | |
| | Average Cash Balance | | | 23,535 | 31,637 | 35,956 | 37,976 | | | | |
| | | | | | | | | | | | |
| 45 to 49 | Count | 5 | 18 | 17 | 41 | 16 | 47 | 118 | 4 | | |
| | Average Cash Balance | | | | 36,660 | | 42,977 | 40,504 | | | |
| | | | | | | | | | | | |
| 50 to 54 | Count | 1 | 7 | 11 | 9 | 15 | 42 | 98 | 24 | 13 | |
| | Average Cash Balance | | | | | | 40,174 | 46,850 | 56,591 | | |
| | | | | | | | | | | | |
| 55 to 59 | Count | | 4 | 12 | 16 | 4 | 16 | 44 | 17 | 44 | 2 |
| | Average Cash Balance | | | | | | | 54,142 | | 55,256 | |
| | | | | | | | | | | | |
| 60 to 64 | Count | | 1 | 1 | 3 | 3 | 1 | 16 | 2 | 5 | 4 |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 65 to 69 | Count | | | | 1 | | 1 | 1 | | | 2 |
| | Average Cash Balance | | | | | | | | | | |
| | | | | | | | | | | | |
| 70 & up | Count | | | | | | | 1 | | | |
| | Average Cash Balance | | | | | | | | | | |

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN: 20-2777218/PN: 009
# Schedule SB, Line 26 — Schedule of Active Participant Data

| | | Total Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Attained Age** | | **<1** | **1 to 4** | **5 to 9** | **10 to 14** | **15 to 19** | **20 to 24** | **25 to 29** | **30 to 34** | **35 to 39** | **40 & up** |
| <25 | Count | 14 | 17 | 1 | | | | | | | |
| | Average Earnings | | | | | | | | | | |
| | | | | | | | | | | | |
| 25 to 29 | Count | 27 | 61 | 31 | 1 | | | | | | |
| | Average Earnings | 54,426 | 59,314 | 75,941 | | | | | | | |
| | | | | | | | | | | | |
| 30 to 34 | Count | 9 | 59 | 46 | 21 | 1 | | | | | |
| | Average Earnings | | 70,248 | 77,939 | 80,848 | | | | | | |
| | | | | | | | | | | | |
| 35 to 39 | Count | 6 | 35 | 39 | 51 | 12 | | | | | |
| | Average Earnings | | 66,074 | 80,587 | 89,673 | | | | | | |
| | | | | | | | | | | | |
| 40 to 44 | Count | 5 | 17 | 28 | 45 | 24 | 24 | 9 | | | |
| | Average Earnings | | | 81,868 | 89,614 | 88,328 | 84,433 | | | | |
| | | | | | | | | | | | |
| 45 to 49 | Count | 5 | 18 | 17 | 41 | 16 | 47 | 118 | 5 | | |
| | Average Earnings | | | | 89,758 | | 88,958 | 84,936 | | | |
| | | | | | | | | | | | |
| 50 to 54 | Count | 1 | 7 | 11 | 9 | 15 | 45 | 142 | 43 | 43 | |
| | Average Earnings | | | | | | 84,550 | 86,148 | 79,251 | 82,875 | |
| | | | | | | | | | | | |
| 55 to 59 | Count | | 4 | 12 | 15 | 4 | 21 | 101 | 39 | 102 | 5 |
| | Average Earnings | | | | | | 81,968 | 83,158 | 80,148 | 80,020 | |
| | | | | | | | | | | | |
| 60 to 64 | Count | | 1 | 1 | 3 | 3 | 4 | 29 | 9 | 21 | 19 |
| | Average Earnings | | | | | | | 72,806 | | 77,578 | |
| | | | | | | | | | | | |
| 65 to 69 | Count | | | | 1 | | 2 | 3 | 1 | 1 | 3 |
| | Average Earnings | | | | | | | | | | |
| | | | | | | | | | | | |
| 70 & up | Count | | | | | | | 1 | | | 1 |
| | Average Earnings | | | | | | | | | | |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

---

## Assumptions and methods for contribution purposes

### Actuarial Assumptions and Methods — Contributions

### Economic Assumptions

Interest rate basis:

| | |
|---|---|
| ► Applicable month | September 2014 |
| ► Yield curve basis | Segment rates with a four-month lookback |

| Interest rates (reflecting MAP-21): | Reflecting Corridors | Not Reflecting Corridors |
|---|---|---|
| ► First segment rate | 4.72% | 1.15% |
| ► Second segment rate | 6.11% | 4.06% |
| ► Third segment rate | 6.81% | 5.15% |
| ► Effective interest rate | 6.27% | |

Annual rates of increase

► Compensation:

Minimum Funding Target Normal Cost — Based on estimated 2015 earnings.

Maximum Tax Expected Benefit Increase

**Salary Increase Rates for after 2014**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 15 | 9.50% | 35 | 4.00% |
| 16 | 9.50% | 36 | 4.00% |
| 17 | 9.50% | 37 | 4.00% |
| 18 | 9.50% | 38 | 4.00% |
| 19 | 9.50% | 39 | 4.00% |
| 20 | 9.50% | 40 | 3.50% |
| 21 | 9.50% | 41 | 3.50% |
| 22 | 9.50% | 42 | 3.50% |
| 23 | 9.50% | 43 | 3.50% |
| 24 | 9.50% | 44 | 3.50% |
| 25 | 8.50% | 45+ | 3.50% |
| 26 | 8.50% | | |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

| | | |
|---|---|---|
| | 27 | 8.50% |
| | 28 | 8.50% |
| | 29 | 8.50% |
| | 30 | 5.50% |
| | 31 | 5.50% |
| | 32 | 5.50% |
| | 33 | 5.50% |
| | 34 | 5.50% |
| ► Future Social Security wage bases | | 3.50% |
| ► Cash Balance Interest Crediting Rate (for balances subject to 30-Year Treasury rate) | | 4.25% |
| ► Assumed IRC §417(e) Conversion Basis | | Based on the segment rates described above and the current §417(e) mortality table. |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

## Demographic Assumptions

| | |
|---|---|
| Inclusion date | The valuation date coincident with or next following the date on which the employee is hired. |
| New or rehired employees | It was assumed there will be no new or rehired employees. |
| Mortality | |
| ► Healthy and Disabled | 2015 Static Mortality Table for Annuitants and Non-Annuitants Per §430(h)(3). |
| Termination | Rates vary by age and service. |

**Representative Termination Rates**

| Percentage leaving during the year | | | | | |
|---|---|---|---|---|---|
| | Years of Service | | | Years of Service | |
| Age | 0-1 | 2+ | Age | 0-1 | 2+ |
| 15 | 20.00% | 15.00% | 40 | 16.00% | 2.50% |
| 16 | 20.00% | 15.00% | 41 | 16.00% | 2.50% |
| 17 | 20.00% | 15.00% | 42 | 16.00% | 2.50% |
| 18 | 20.00% | 15.00% | 43 | 16.00% | 2.50% |
| 19 | 20.00% | 15.00% | 44 | 16.00% | 2.50% |
| 20 | 20.00% | 15.00% | 45 | 15.00% | 2.00% |
| 21 | 20.00% | 15.00% | 46 | 15.00% | 2.00% |
| 22 | 20.00% | 15.00% | 47 | 15.00% | 2.00% |
| 23 | 20.00% | 15.00% | 48 | 15.00% | 2.00% |
| 24 | 20.00% | 15.00% | 49 | 15.00% | 2.00% |
| 25 | 19.00% | 10.00% | 50 | 14.00% | 2.00% |
| 26 | 19.00% | 10.00% | 51 | 14.00% | 2.00% |
| 27 | 19.00% | 10.00% | 52 | 14.00% | 2.00% |
| 28 | 19.00% | 10.00% | 53 | 14.00% | 2.00% |
| 29 | 19.00% | 10.00% | 54 | 14.00% | 2.00% |
| 30 | 18.00% | 5.50% | 55+ | 0.00% | 0.00% |
| 31 | 18.00% | 5.50% | | | |

| | | |
|---|---|---|
| 32 | 18.00% | 5.50% |
| 33 | 18.00% | 5.50% |
| 34 | 18.00% | 5.50% |
| 35 | 17.00% | 3.50% |
| 36 | 17.00% | 3.50% |
| 37 | 17.00% | 3.50% |
| 38 | 17.00% | 3.50% |
| 39 | 17.00% | 3.50% |

Disability

The rates at which participants become disabled by age are shown below:

| Percentage becoming disabled during the year | | | |
|---|---|---|---|
| Age | Rate | Age | Rate |
| 15 | 0.08% | 40 | 0.17% |
| 16 | 0.08% | 41 | 0.19% |
| 17 | 0.08% | 42 | 0.20% |
| 18 | 0.08% | 43 | 0.22% |
| 19 | 0.08% | 44 | 0.23% |
| 20 | 0.08% | 45 | 0.25% |
| 21 | 0.08% | 46 | 0.28% |
| 22 | 0.08% | 47 | 0.32% |
| 23 | 0.08% | 48 | 0.35% |
| 24 | 0.08% | 49 | 0.39% |
| 25 | 0.08% | 50 | 0.42% |
| 26 | 0.08% | 51 | 0.49% |
| 27 | 0.08% | 52 | 0.56% |
| 28 | 0.08% | 53 | 0.62% |
| 29 | 0.08% | 54 | 0.69% |
| 30 | 0.10% | 55 | 0.76% |
| 31 | 0.11% | 56 | 0.91% |

| | | | |
|---|---|---|---|
| 32 | 0.11% | 57 | 1.06% |
| 33 | 0.12% | 58 | 1.20% |
| 34 | 0.12% | 59 | 1.35% |
| 35 | 0.13% | 60+ | 1.50% |
| 36 | 0.14% | | |
| 37 | 0.15% | | |
| 38 | 0.15% | | |
| 39 | 0.16% | | |

Retirement

Rates varying by age for terminated vested participants and active Cash Balance participants. Rates varying by age and service for active Traditional participants and active Traditional Choice participants.

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age (and service, if applicable) are shown below.

**Retirement Rates – Active Cash Balance Participants**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 50 | 4% | 60 | 25% |
| 51 | 4% | 61 | 10% |
| 52 | 4% | 62 | 30% |
| 53 | 4% | 63 | 15% |
| 54 | 4% | 64 | 15% |
| 55 | 20% | 65 | 75% |
| 56 | 10% | 66 | 20% |
| 57 | 10% | 67+ | 100% |
| 58 | 10% | | |
| 59 | 10% | | |

**Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 0 and 27)**

| | Years of Service | | | | | |
|---|---|---|---|---|---|---|
| Age | 0-22 | 23 | 24 | 25 | 26 | 27 |
| 50 | 1% | 1% | 1% | 2% | 2% | 2% |
| 51 | 1% | 1% | 1% | 2% | 2% | 2% |

| | | | | | | |
|---|---|---|---|---|---|---|
| 52 | 1% | 1% | 1% | 2% | 2% | 2% |
| 53 | 1% | 1% | 1% | 2% | 2% | 2% |
| 54 | 1% | 1% | 1% | 2% | 2% | 2% |
| 55 | 2% | 2% | 2% | 5% | 5% | 5% |
| 56 | 2% | 2% | 2% | 5% | 5% | 5% |
| 57 | 5% | 5% | 5% | 5% | 5% | 5% |
| 58 | 5% | 5% | 5% | 5% | 5% | 15% |
| 59 | 5% | 5% | 5% | 5% | 15% | 15% |
| 60 | 10% | 10% | 10% | 15% | 15% | 15% |
| 61 | 5% | 5% | 15% | 15% | 15% | 15% |
| 62 | 20% | 35% | 35% | 35% | 35% | 35% |
| 63 | 15% | 15% | 15% | 15% | 15% | 15% |
| 64 | 15% | 15% | 15% | 15% | 15% | 15% |
| 65 | 75% | 75% | 75% | 75% | 75% | 75% |
| 66 | 20% | 20% | 20% | 20% | 20% | 20% |
| 67+ | 100% | 100% | 100% | 100% | 100% | 100% |

**Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 28 and 30+)**

| | Years of Service | | |
|---|---|---|---|
| Age | 28 | 29 | 30+ |
| 50 | 2% | 2% | 2% |
| 51 | 2% | 2% | 2% |
| 52 | 2% | 2% | 2% |
| 53 | 2% | 2% | 2% |
| 54 | 2% | 2% | 2% |
| 55 | 5% | 5% | 30% |
| 56 | 5% | 10% | 25% |
| 57 | 15% | 15% | 25% |
| 58 | 15% | 15% | 30% |

| | | | |
|---|---|---|---|
| 59 | 15% | 15% | 15% |
| 60 | 15% | 15% | 20% |
| 61 | 15% | 15% | 20% |
| 62 | 35% | 35% | 20% |
| 63 | 15% | 15% | 15% |
| 64 | 15% | 15% | 15% |
| 65 | 75% | 75% | 75% |
| 66 | 20% | 20% | 20% |
| 67+ | 100% | 100% | 100% |

**Retirement Rates – Terminated Vested Participants**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 50 | 2% | 60 | 20% |
| 51 | 2% | 61 | 15% |
| 52 | 2% | 62 | 30% |
| 53 | 2% | 63 | 15% |
| 54 | 2% | 64 | 15% |
| 55 | 20% | 65+ | 100% |
| 56 | 7% | | |
| 57 | 7% | | |
| 58 | 7% | | |
| 59 | 7% | | |

Benefit commencement date

- Preretirement death benefit: Date of Death.
- Deferred vested benefit: Upon termination of employment.
- Disability benefit: Normal Retirement Date.
- Retirement benefit: Upon termination of employment.

Form of payment

Cash Balance Participants:
100% elect the Lump Sum.
Traditional Plan Participants:
65% of married participants elect the 100% Contingent Annuity.
35% of married participants elect the Single Life Annuity.
100% of single participants elect the Single Life Annuity.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

---

| | |
|---|---|
| | Traditional Choice Participants:<br>100% elect the Lump Sum. |
| Percent married | It is assumed that 85% of males and 85% of females have an eligible spouse. |
| Spouse age | Males are three years older than their spouses. |
| Covered pay | |
| Before 2015 | Actual historical pensionable earnings. |
| 2015 | 2015 pay estimated as the sum of:<br>• Actual earnings through March 31, 2015 (includes bonus and incentive payments made in the first quarter).<br>• Expected base pay for the remaining nine months of the year (estimated by using the base pay rate in effect on April 1, 2015).<br>• Assumed overtime for the remaining nine months of the year. |
| 2016+ | Estimated 2015 pay (for projection purposes) is projected forward using the salary scale, where 2015 pay is estimated as the sum of:<br>• Expected base pay (estimated by using the pay rate in effect on April 1, 2015).<br>• Assumed overtime.<br>• Assumed target bonus. |
| Overtime Assumption<br>*Applies to non-exempt employees only* | The overtime assumption is expressed as a percentage of base pay and varies by pay level:<br>• 5% for those with low base pay (under $50,000)<br>• 15% for those with medium base pay<br>• 20% for those with high base pay (over $67,500) |
| Vacation Bank | Final pay is assumed to increase for vacation buy-back based on actual vacation banks accrued to date. |

## Methods

| | |
|---|---|
| Valuation date | January 1, 2015. |
| Funding target | Present value of accrued benefits<br>Funding target is as of the valuation date so it includes all participants including the participants affected by the Midwest Commercial Generation spin-off. |
| Target normal cost | Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.<br>Target normal cost reflects the Midwest Commercial Generation pension spin-off, effective April 2, 2015. |
| Trust expenses included in target normal cost | Provided by Duke Energy Corporation. $534,295 for 2015. |
| Actuarial value of assets | Smoothed fair market value of assets over the current and prior three |

| | |
|---|---|
| | months, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.<br><br>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. |
| Actuarial method | Standard Unit Credit Cost Method. |
| Benefits not valued | All benefits described in the Plan Provisions section of this report were valued except prior plan benefits and grandfathered benefits for active employees. Based on discussions with Duke Energy Corporation, such benefits are considered to have a de minimis likelihood of being paid and thus are not required to be valued, and will not be valued. Towers Watson has reviewed the plan provisions with Duke Energy Corporation and, based on that review, is not aware of any significant benefits required to be valued that were not. |
| Change in assumptions and methods since prior valuation | The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2013 to September 2014. Rates have also been adjusted to reflect HATFA corridors.<br><br>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.<br><br>The assumed plan-related expenses added to the target normal cost were changed from $512,389 for 2014 to $534,295 for 2015.<br><br>The cash balance interest crediting rate decreased from 4.50% to 4.25%. |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

---

## Assumptions and methods for contribution purposes

### Actuarial Assumptions and Methods — Contributions

### Economic Assumptions

Interest rate basis:

| | |
|---|---|
| ► Applicable month | September 2014 |
| ► Yield curve basis | Segment rates with a four-month lookback |

| Interest rates (reflecting MAP-21): | Reflecting Corridors | Not Reflecting Corridors |
|---|---|---|
| ► First segment rate | 4.72% | 1.15% |
| ► Second segment rate | 6.11% | 4.06% |
| ► Third segment rate | 6.81% | 5.15% |
| ► Effective interest rate | 6.27% | |

Annual rates of increase

► Compensation:

Minimum Funding Target Normal Cost — Based on estimated 2015 earnings.

Maximum Tax Expected Benefit Increase

**Salary Increase Rates for after 2014**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 15 | 9.50% | 35 | 4.00% |
| 16 | 9.50% | 36 | 4.00% |
| 17 | 9.50% | 37 | 4.00% |
| 18 | 9.50% | 38 | 4.00% |
| 19 | 9.50% | 39 | 4.00% |
| 20 | 9.50% | 40 | 3.50% |
| 21 | 9.50% | 41 | 3.50% |
| 22 | 9.50% | 42 | 3.50% |
| 23 | 9.50% | 43 | 3.50% |
| 24 | 9.50% | 44 | 3.50% |
| 25 | 8.50% | 45+ | 3.50% |
| 26 | 8.50% | | |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

| | | |
|---|---|---|
| | 27 | 8.50% |
| | 28 | 8.50% |
| | 29 | 8.50% |
| | 30 | 5.50% |
| | 31 | 5.50% |
| | 32 | 5.50% |
| | 33 | 5.50% |
| | 34 | 5.50% |
| ► Future Social Security wage bases | | 3.50% |
| ► Cash Balance Interest Crediting Rate (for balances subject to 30-Year Treasury rate) | | 4.25% |
| ► Assumed IRC §417(e) Conversion Basis | | Based on the segment rates described above and the current §417(e) mortality table. |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

## Demographic Assumptions

| | |
|---|---|
| Inclusion date | The valuation date coincident with or next following the date on which the employee is hired. |
| New or rehired employees | It was assumed there will be no new or rehired employees. |
| Mortality | |
| ► Healthy and Disabled | 2015 Static Mortality Table for Annuitants and Non-Annuitants Per §430(h)(3). |
| Termination | Rates vary by age and service. |

**Representative Termination Rates**

| Percentage leaving during the year | | | | | |
|---|---|---|---|---|---|
| | Years of Service | | | Years of Service | |
| Age | 0-1 | 2+ | Age | 0-1 | 2+ |
| 15 | 20.00% | 15.00% | 40 | 16.00% | 2.50% |
| 16 | 20.00% | 15.00% | 41 | 16.00% | 2.50% |
| 17 | 20.00% | 15.00% | 42 | 16.00% | 2.50% |
| 18 | 20.00% | 15.00% | 43 | 16.00% | 2.50% |
| 19 | 20.00% | 15.00% | 44 | 16.00% | 2.50% |
| 20 | 20.00% | 15.00% | 45 | 15.00% | 2.00% |
| 21 | 20.00% | 15.00% | 46 | 15.00% | 2.00% |
| 22 | 20.00% | 15.00% | 47 | 15.00% | 2.00% |
| 23 | 20.00% | 15.00% | 48 | 15.00% | 2.00% |
| 24 | 20.00% | 15.00% | 49 | 15.00% | 2.00% |
| 25 | 19.00% | 10.00% | 50 | 14.00% | 2.00% |
| 26 | 19.00% | 10.00% | 51 | 14.00% | 2.00% |
| 27 | 19.00% | 10.00% | 52 | 14.00% | 2.00% |
| 28 | 19.00% | 10.00% | 53 | 14.00% | 2.00% |
| 29 | 19.00% | 10.00% | 54 | 14.00% | 2.00% |
| 30 | 18.00% | 5.50% | 55+ | 0.00% | 0.00% |
| 31 | 18.00% | 5.50% | | | |

| | | |
|---|---|---|
| 32 | 18.00% | 5.50% |
| 33 | 18.00% | 5.50% |
| 34 | 18.00% | 5.50% |
| 35 | 17.00% | 3.50% |
| 36 | 17.00% | 3.50% |
| 37 | 17.00% | 3.50% |
| 38 | 17.00% | 3.50% |
| 39 | 17.00% | 3.50% |

Disability

The rates at which participants become disabled by age are shown below:

| Percentage becoming disabled during the year | | | |
|---|---|---|---|
| Age | Rate | Age | Rate |
| 15 | 0.08% | 40 | 0.17% |
| 16 | 0.08% | 41 | 0.19% |
| 17 | 0.08% | 42 | 0.20% |
| 18 | 0.08% | 43 | 0.22% |
| 19 | 0.08% | 44 | 0.23% |
| 20 | 0.08% | 45 | 0.25% |
| 21 | 0.08% | 46 | 0.28% |
| 22 | 0.08% | 47 | 0.32% |
| 23 | 0.08% | 48 | 0.35% |
| 24 | 0.08% | 49 | 0.39% |
| 25 | 0.08% | 50 | 0.42% |
| 26 | 0.08% | 51 | 0.49% |
| 27 | 0.08% | 52 | 0.56% |
| 28 | 0.08% | 53 | 0.62% |
| 29 | 0.08% | 54 | 0.69% |
| 30 | 0.10% | 55 | 0.76% |
| 31 | 0.11% | 56 | 0.91% |

| | | | |
|---|---|---|---|
| 32 | 0.11% | 57 | 1.06% |
| 33 | 0.12% | 58 | 1.20% |
| 34 | 0.12% | 59 | 1.35% |
| 35 | 0.13% | 60+ | 1.50% |
| 36 | 0.14% | | |
| 37 | 0.15% | | |
| 38 | 0.15% | | |
| 39 | 0.16% | | |

Retirement

Rates varying by age for terminated vested participants and active Cash Balance participants. Rates varying by age and service for active Traditional participants and active Traditional Choice participants.

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age (and service, if applicable) are shown below.

**Retirement Rates – Active Cash Balance Participants**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 50 | 4% | 60 | 25% |
| 51 | 4% | 61 | 10% |
| 52 | 4% | 62 | 30% |
| 53 | 4% | 63 | 15% |
| 54 | 4% | 64 | 15% |
| 55 | 20% | 65 | 75% |
| 56 | 10% | 66 | 20% |
| 57 | 10% | 67+ | 100% |
| 58 | 10% | | |
| 59 | 10% | | |

**Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 0 and 27)**

| | Years of Service | | | | | |
|---|---|---|---|---|---|---|
| Age | 0-22 | 23 | 24 | 25 | 26 | 27 |
| 50 | 1% | 1% | 1% | 2% | 2% | 2% |
| 51 | 1% | 1% | 1% | 2% | 2% | 2% |

| | | | | | | |
|---|---|---|---|---|---|---|
| 52 | 1% | 1% | 1% | 2% | 2% | 2% |
| 53 | 1% | 1% | 1% | 2% | 2% | 2% |
| 54 | 1% | 1% | 1% | 2% | 2% | 2% |
| 55 | 2% | 2% | 2% | 5% | 5% | 5% |
| 56 | 2% | 2% | 2% | 5% | 5% | 5% |
| 57 | 5% | 5% | 5% | 5% | 5% | 5% |
| 58 | 5% | 5% | 5% | 5% | 5% | 15% |
| 59 | 5% | 5% | 5% | 5% | 15% | 15% |
| 60 | 10% | 10% | 10% | 15% | 15% | 15% |
| 61 | 5% | 5% | 15% | 15% | 15% | 15% |
| 62 | 20% | 35% | 35% | 35% | 35% | 35% |
| 63 | 15% | 15% | 15% | 15% | 15% | 15% |
| 64 | 15% | 15% | 15% | 15% | 15% | 15% |
| 65 | 75% | 75% | 75% | 75% | 75% | 75% |
| 66 | 20% | 20% | 20% | 20% | 20% | 20% |
| 67+ | 100% | 100% | 100% | 100% | 100% | 100% |

**Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 28 and 30+)**

| | Years of Service | | |
|---|---|---|---|
| Age | 28 | 29 | 30+ |
| 50 | 2% | 2% | 2% |
| 51 | 2% | 2% | 2% |
| 52 | 2% | 2% | 2% |
| 53 | 2% | 2% | 2% |
| 54 | 2% | 2% | 2% |
| 55 | 5% | 5% | 30% |
| 56 | 5% | 10% | 25% |
| 57 | 15% | 15% | 25% |
| 58 | 15% | 15% | 30% |

| | | | |
|---|---|---|---|
| 59 | 15% | 15% | 15% |
| 60 | 15% | 15% | 20% |
| 61 | 15% | 15% | 20% |
| 62 | 35% | 35% | 20% |
| 63 | 15% | 15% | 15% |
| 64 | 15% | 15% | 15% |
| 65 | 75% | 75% | 75% |
| 66 | 20% | 20% | 20% |
| 67+ | 100% | 100% | 100% |

**Retirement Rates – Terminated Vested Participants**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 50 | 2% | 60 | 20% |
| 51 | 2% | 61 | 15% |
| 52 | 2% | 62 | 30% |
| 53 | 2% | 63 | 15% |
| 54 | 2% | 64 | 15% |
| 55 | 20% | 65+ | 100% |
| 56 | 7% | | |
| 57 | 7% | | |
| 58 | 7% | | |
| 59 | 7% | | |

Benefit commencement date

- Preretirement death benefit: Date of Death.
- Deferred vested benefit: Upon termination of employment.
- Disability benefit: Normal Retirement Date.
- Retirement benefit: Upon termination of employment.

Form of payment

Cash Balance Participants:
100% elect the Lump Sum.
Traditional Plan Participants:
65% of married participants elect the 100% Contingent Annuity.
35% of married participants elect the Single Life Annuity.
100% of single participants elect the Single Life Annuity.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Statement of Actuarial Assumptions and Methods**

---

| | |
|---|---|
| | Traditional Choice Participants:<br>100% elect the Lump Sum. |
| Percent married | It is assumed that 85% of males and 85% of females have an eligible spouse. |
| Spouse age | Males are three years older than their spouses. |
| Covered pay | |
| Before 2015 | Actual historical pensionable earnings. |
| 2015 | 2015 pay estimated as the sum of:<br>• Actual earnings through March 31, 2015 (includes bonus and incentive payments made in the first quarter).<br>• Expected base pay for the remaining nine months of the year (estimated by using the base pay rate in effect on April 1, 2015).<br>• Assumed overtime for the remaining nine months of the year. |
| 2016+ | Estimated 2015 pay (for projection purposes) is projected forward using the salary scale, where 2015 pay is estimated as the sum of:<br>• Expected base pay (estimated by using the pay rate in effect on April 1, 2015).<br>• Assumed overtime.<br>• Assumed target bonus. |
| Overtime Assumption<br>*Applies to non-exempt employees only* | The overtime assumption is expressed as a percentage of base pay and varies by pay level:<br>• 5% for those with low base pay (under $50,000)<br>• 15% for those with medium base pay<br>• 20% for those with high base pay (over $67,500) |
| Vacation Bank | Final pay is assumed to increase for vacation buy-back based on actual vacation banks accrued to date. |

## Methods

| | |
|---|---|
| Valuation date | January 1, 2015. |
| Funding target | Present value of accrued benefits<br>Funding target is as of the valuation date so it includes all participants including the participants affected by the Midwest Commercial Generation spin-off. |
| Target normal cost | Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.<br>Target normal cost reflects the Midwest Commercial Generation pension spin-off, effective April 2, 2015. |
| Trust expenses included in target normal cost | Provided by Duke Energy Corporation. $534,295 for 2015. |
| Actuarial value of assets | Smoothed fair market value of assets over the current and prior three |

| | |
|---|---|
| | months, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.<br><br>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. |
| Actuarial method | Standard Unit Credit Cost Method. |
| Benefits not valued | All benefits described in the Plan Provisions section of this report were valued except prior plan benefits and grandfathered benefits for active employees. Based on discussions with Duke Energy Corporation, such benefits are considered to have a de minimis likelihood of being paid and thus are not required to be valued, and will not be valued. Towers Watson has reviewed the plan provisions with Duke Energy Corporation and, based on that review, is not aware of any significant benefits required to be valued that were not. |
| Change in assumptions and methods since prior valuation | The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2013 to September 2014. Rates have also been adjusted to reflect HATFA corridors.<br><br>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.<br><br>The assumed plan-related expenses added to the target normal cost were changed from $512,389 for 2014 to $534,295 for 2015.<br><br>The cash balance interest crediting rate decreased from 4.50% to 4.25%. |

| SCHEDULE SB (Form 5500) | Single-Employer Defined Benefit Plan Actuarial Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br>▶ File as an attachment to Form 5500 or 5500-SF. | 2015<br>This Form is Open to Public Inspection |

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

| A Name of plan | B Three-digit plan number (PN) ▶ | |
|---|---|---|
| CINERGY CORP. UNION EMPLOYEES' RETIREMENT INCOME PLAN | | 009 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF | **D** Employer Identification Number (EIN) | |
| DUKE ENERGY CORPORATION | 20-2777218 | |

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015

2 Assets:

| | | |
|---|---|---|
| a Market value | 2a | 659,364,040 |
| b Actuarial value | 2b | 657,039,946 |

3 Funding target/participant count breakdown

| | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| a For retired participants and beneficiaries receiving payment | 1,834 | 289,030,487 | 289,030,487 |
| b For terminated vested participants | 399 | 13,443,092 | 13,443,092 |
| c For active participants | 1,616 | 195,572,758 | 222,155,369 |
| d Total | 3,849 | 498,046,337 | 524,628,948 |

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| a Funding target disregarding prescribed at-risk assumptions | 4a | |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | |
| 5 Effective interest rate | 5 | 6.27% |
| 6 Target normal cost | 6 | 8,687,670 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

| SIGN HERE | MM | 10/17/2016 |
|---|---|---|
| | Signature of actuary | Date |
| Monica D. Martin, FSA, EA | | 1407271 |
| Type or print name of actuary | | Most recent enrollment number |
| Towers Watson Delaware Inc. | | 404-365-1581 |
| Firm name | | Telephone number (including area code) |
| 3500 Lenox Road Suite 900<br>Atlanta GA 30326-4238<br>Address of the firm | | |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 12,110,977 | 96,860,055 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 12,110,977 | 96,860,055 |
| 10 | Interest on line 9 using prior year's actual return of 10.44% | 1,264,386 | 10,112,190 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 10,011,303 |
| | b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.48% | | 648,732 |
| | b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 10,660,035 |
| | d Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 13,375,363 | 106,972,245 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 102.29% |
| 15 | Adjusted funding target attainment percentage | 15 | 125.23% |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 104.96% |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 12/29/2015 | 11,000,000 | 0 | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | Totals ► 18(b) | 11,000,000 | 18(c) | 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years | 19a | 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 10,354,490 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year | | | |
|---|---|---|---|
| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
| | | | |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | ☐ N/A, full yield curve used |
|---|---|---|---|
| 4.72% | 6.11% | 6.81% | |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | 21b | 4 |
| **22** Weighted average retirement age | 22 | 61 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | |
|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | 27 | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|---|---|
| **28** Unpaid minimum required contributions for all prior years | 28 | 0 |
| **29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) | 29 | 0 |
| **30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) | 30 | 0 |

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) | 31a | 8,687,670 |
| **b** Excess assets, if applicable, but not greater than line 31a | 31b | 8,687,670 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount | 33 | 0 |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | 34 | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | 36 | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 10,354,490 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | 38a | 10,354,490 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | 38b | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | 39 | 0 |
| **40** Unpaid minimum required contributions for all years | 40 | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | 42 | 0 |
| **43** Excess installment acceleration amount to be carried over to future plan years | 43 | 0 |

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN 20-2777218 PN 009
## Schedule SB, Line 22 - Description of Weighted Average Retirement Age

See Schedule SB, Part V Statement of Actuarial Assumptions / Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

**Sample Calculation of Retirement Age for Active Cash Balance Participants**

| Retirement Age (1) | Assumed Rate (2) | Participants At Beginning (3) | Participants Retiring: (2)x(3) (4) | (1)*(4) (5) |
|---|---|---|---|---|
| 50 | 0.0400 | 1,000.00 | 40.00 | 2,000.00 |
| 51 | 0.0400 | 960.00 | 38.40 | 1,958.40 |
| 52 | 0.0400 | 921.60 | 36.86 | 1,916.72 |
| 53 | 0.0400 | 884.74 | 35.39 | 1,875.67 |
| 54 | 0.0400 | 849.35 | 33.97 | 1,834.38 |
| 55 | 0.2000 | 815.38 | 163.08 | 8,969.40 |
| 56 | 0.1000 | 652.30 | 65.23 | 3,652.88 |
| 57 | 0.1000 | 587.07 | 58.71 | 3,346.47 |
| 58 | 0.1000 | 528.36 | 52.84 | 3,064.72 |
| 59 | 0.1000 | 475.52 | 47.55 | 2,805.45 |
| 60 | 0.2500 | 427.97 | 106.99 | 6,419.40 |
| 61 | 0.1000 | 320.98 | 32.10 | 1,958.10 |
| 62 | 0.3000 | 288.88 | 86.66 | 5,372.92 |
| 63 | 0.1500 | 202.22 | 30.33 | 1,910.79 |
| 64 | 0.1500 | 171.89 | 25.78 | 1,649.92 |
| 65 | 0.7500 | 146.11 | 109.58 | 7,122.70 |
| 66 | 0.2000 | 36.53 | 7.31 | 482.46 |
| 67 | 1.0000 | 29.22 | 29.22 | 1,957.74 |
| | | | 1,000.00 | 58,298.12 |

58,298.12 / 1,000 = 58.30

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN 20-2777218 PN 009
# Schedule SB, Line 22 - Description of Weighted Average Retirement Age

**Sample Calculation of Retirement Age for Active Traditional Participants**

| Retirement Age (1) | Assumed Rate (2) | Participants At Beginning (3) | Participants Retiring: (2)x(3) (4) | (1)*(4) (5) |
|---|---|---|---|---|
| 50 | 0.0100 | 1,000.00 | 10.00 | 500.00 |
| 51 | 0.0100 | 990.00 | 9.90 | 504.90 |
| 52 | 0.0100 | 980.10 | 9.80 | 509.60 |
| 53 | 0.0100 | 970.30 | 9.70 | 514.10 |
| 54 | 0.0100 | 960.60 | 9.61 | 518.94 |
| 55 | 0.0200 | 950.99 | 19.02 | 1,046.10 |
| 56 | 0.0200 | 931.97 | 18.64 | 1,043.84 |
| 57 | 0.0500 | 913.33 | 45.67 | 2,603.19 |
| 58 | 0.0500 | 867.66 | 43.38 | 2,516.04 |
| 59 | 0.0500 | 824.28 | 41.21 | 2,431.39 |
| 60 | 0.1000 | 783.07 | 78.31 | 4,698.60 |
| 61 | 0.0500 | 704.76 | 35.24 | 2,149.64 |
| 62 | 0.2000 | 669.52 | 133.90 | 8,301.80 |
| 63 | 0.1500 | 535.62 | 80.34 | 5,061.42 |
| 64 | 0.1500 | 455.28 | 68.29 | 4,370.56 |
| 65 | 0.7500 | 386.99 | 290.24 | 18,865.60 |
| 66 | 0.2000 | 96.75 | 19.35 | 1,277.10 |
| 67 | 1.0000 | 77.40 | 77.40 | 5,185.80 |
| | | | 1,000.00 | 62,098.62 |

62,098.62 / 1,000 = 62.1

All Groups

| Group | Number of Active Participants* | Retirement Age |
|---|---|---|
| Cash Balance Participants | 580 | 58.30 |
| Traditional Participants | 982 | 62.10 |
| Average Age | | 60.69 |
| Rounded for Schedule SB Item 22 | | 61 |

*There are 54 other active employees with different retirement decrement patterns not reflected above.

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN 20-2777218 PN 009
## Schedule SB, Line 22 - Description of Weighted Average Retirement Age

See Schedule SB, Part V Statement of Actuarial Assumptions / Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

**Sample Calculation of Retirement Age for Active Cash Balance Participants**

| Retirement Age (1) | Assumed Rate (2) | Participants At Beginning (3) | Participants Retiring: (2)x(3) (4) | (1)*(4) (5) |
|---|---|---|---|---|
| 50 | 0.0400 | 1,000.00 | 40.00 | 2,000.00 |
| 51 | 0.0400 | 960.00 | 38.40 | 1,958.40 |
| 52 | 0.0400 | 921.60 | 36.86 | 1,916.72 |
| 53 | 0.0400 | 884.74 | 35.39 | 1,875.67 |
| 54 | 0.0400 | 849.35 | 33.97 | 1,834.38 |
| 55 | 0.2000 | 815.38 | 163.08 | 8,969.40 |
| 56 | 0.1000 | 652.30 | 65.23 | 3,652.88 |
| 57 | 0.1000 | 587.07 | 58.71 | 3,346.47 |
| 58 | 0.1000 | 528.36 | 52.84 | 3,064.72 |
| 59 | 0.1000 | 475.52 | 47.55 | 2,805.45 |
| 60 | 0.2500 | 427.97 | 106.99 | 6,419.40 |
| 61 | 0.1000 | 320.98 | 32.10 | 1,958.10 |
| 62 | 0.3000 | 288.88 | 86.66 | 5,372.92 |
| 63 | 0.1500 | 202.22 | 30.33 | 1,910.79 |
| 64 | 0.1500 | 171.89 | 25.78 | 1,649.92 |
| 65 | 0.7500 | 146.11 | 109.58 | 7,122.70 |
| 66 | 0.2000 | 36.53 | 7.31 | 482.46 |
| 67 | 1.0000 | 29.22 | 29.22 | 1,957.74 |
| | | | 1,000.00 | 58,298.12 |

58,298.12 / 1,000 = 58.30

# ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB
# Cinergy Corp. Union Employees' Retirement Income Plan
# EIN 20-2777218 PN 009
# Schedule SB, Line 22 - Description of Weighted Average Retirement Age

**Sample Calculation of Retirement Age for Active Traditional Participants**

| Retirement Age (1) | Assumed Rate (2) | Participants At Beginning (3) | Participants Retiring: (2)x(3) (4) | (1)*(4) (5) |
|---|---|---|---|---|
| 50 | 0.0100 | 1,000.00 | 10.00 | 500.00 |
| 51 | 0.0100 | 990.00 | 9.90 | 504.90 |
| 52 | 0.0100 | 980.10 | 9.80 | 509.60 |
| 53 | 0.0100 | 970.30 | 9.70 | 514.10 |
| 54 | 0.0100 | 960.60 | 9.61 | 518.94 |
| 55 | 0.0200 | 950.99 | 19.02 | 1,046.10 |
| 56 | 0.0200 | 931.97 | 18.64 | 1,043.84 |
| 57 | 0.0500 | 913.33 | 45.67 | 2,603.19 |
| 58 | 0.0500 | 867.66 | 43.38 | 2,516.04 |
| 59 | 0.0500 | 824.28 | 41.21 | 2,431.39 |
| 60 | 0.1000 | 783.07 | 78.31 | 4,698.60 |
| 61 | 0.0500 | 704.76 | 35.24 | 2,149.64 |
| 62 | 0.2000 | 669.52 | 133.90 | 8,301.80 |
| 63 | 0.1500 | 535.62 | 80.34 | 5,061.42 |
| 64 | 0.1500 | 455.28 | 68.29 | 4,370.56 |
| 65 | 0.7500 | 386.99 | 290.24 | 18,865.60 |
| 66 | 0.2000 | 96.75 | 19.35 | 1,277.10 |
| 67 | 1.0000 | 77.40 | 77.40 | 5,185.80 |
| | | | 1,000.00 | 62,098.62 |

62,098.62 / 1,000 = 62.1

All Groups

| Group | Number of Active Participants* | Retirement Age |
|---|---|---|
| Cash Balance Participants | 580 | 58.30 |
| Traditional Participants | 982 | 62.10 |
| Average Age | | 60.69 |
| Rounded for Schedule SB Item 22 | | 61 |

*There are 54 other active employees with different retirement decrement patterns not reflected above.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Summary of plan provisions**

---

## Plan Provisions

Plan was restated effective January 1, 2014, and last amended December 19, 2014 (Amendment 2)

| | |
|---|---|
| Eligible Employees | Legacy Cinergy employees (other than leased employees) covered by a collective bargaining agreement which provides for participation in the plan.<br><br>If an IBEW 1347 employee terminates employment and is rehired after December 31, 2014, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive cash balance pay credits following rehire.<br><br>IBEW 1347 employees hired on or after January 1, 2015 are not eligible to participate in the plan.<br><br>On April 2, 2015, a portion of the plan's participants, assets and liabilities were spun-off as a result of the sale of Midwest Commercial Generation division. As part of the transaction, the affected participants are no longer participants in this plan. |
| Participation Date | Later of January 1, 2003, Employment Commencement Date, or age 18. |

## Definitions

| | |
|---|---|
| Service | Employees (other than intermittent or temporary employees) generally earn one month of Service for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998. |
| Earnings | Generally equal to total salary or wages, including overtime and bonuses, before any reductions under Section 125 and 401(k), but exclusive of any Company contributions to employee benefit plans and additional remuneration or expense reimbursement. Compensation considered for benefit purposes is limited based upon the provision of the IRC Section 401(a)(17). Excludes military leave pay from eligible earnings. |
| Highest Average Earnings | Highest Average Annual Earnings for any three consecutive calendar years during the last 10 years of Participation. |
| Covered Compensation | 35-year average of Social Security Wage Bases based on Year-of-Birth Table. |
| Participation | Employees (other than intermittent or temporary employees) generally earn one month of Participation for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998. |
| Normal Retirement Age | Age 65. |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Summary of plan provisions**

---

## Eligibility for Benefits

| | |
|---|---|
| Normal Retirement | Retirement at normal retirement age. |
| Early Retirement | Age 50 and three years of service. (Five years of service prior to January 1, 2007). |
| Postponed Retirement | Retirement after normal retirement age. |
| Vested Termination | Three years of service. (Five years of service prior to January 1, 2007.) |
| Disability | Participants are immediately vested upon disability. (Five years of service were required prior to January 1, 2007.) |
| Preretirement Death Benefit | |
| Traditional Program | Married participants. (Five years of service prior to January 1, 2007.) |
| Cash Balance Program | All participants are immediately vested upon death and the benefit will be paid to the spouse, beneficiary, or estate. |

## Benefits Paid Upon the Following Events

Normal Retirement

Participant's retirement formula is either based on a final average pay formula ("Traditional Program"), a cash balance plan account ("Cash Balance Program"), or a combination of both ("Traditional Choice" or "Traditional Frozen").

**USW Employees**

On January 1, 2008, active participants governed by a collective bargaining agreement with the United Steelworkers of America, Local 12049 and Local 5541-06 (a "USW Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program USW participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit, effective January 1, 2008. These participants are included as part of the Traditional Choice group in the descriptions provided in this report.

Effective January 1, 2012, participants who elected to stay in the Traditional Program in 2008 who are not age 50 with 25 years of service were automatically moved into the Duke Energy Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report. Participants who meet the age 50 and 25 years of service requirement were allowed another choice to move to the Duke Energy Cash Balance program effective January 1, 2012.

**IBEW 352**

Balanced and Investor Cash Balance Program participants governed by a collective bargaining agreement with the International Brotherhood of Electrical Workers, Local 352 (an "IBEW 352 Employee") were moved to the Duke Energy Cash Balance Program on July 1, 2008.

**ERA**

Balanced and Investor Cash Balance Program participants governed by a collective bargaining agreement with the Employees' Representation Association (an "ERA Employee") were moved to the Duke Energy Cash Balance Program on January 1, 2009.

**UWUA**

On January 1, 2009, active participants governed by a collective bargaining agreement with the Utility Workers of America, Local 600 (a "UWUA Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program UWUA participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit effective January 1, 2009. These participants are included as part of the Traditional Choice group in the descriptions provided in this report.

Effective January 1, 2013, participants who elected to stay in the Traditional Program in 2009 who are not age 50 with 25 years of service will automatically be moved into the Duke Energy Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report. Participants who meet the age 50 and 25 years of service requirement were allowed another choice to move to the Duke Energy Cash Balance program effective January 1, 2013.

**IBEW 1347**

On January 1, 2010, active participants governed by a collective bargaining agreement with Local Union 1347 of the International Brotherhood of Electrical Workers (an "IBEW 1347 Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program IBEW 1347 participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit effective January 1, 2010. These participants are included as part of the Traditional Choice group in the descriptions provided in this

report.

Effective January 1, 2014, participants who elected to stay in the Traditional Program in 2010 whose age plus service is less than 75 were automatically moved into the Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report.

Duke Cash Balance Formula

A cash balance benefit with monthly pay credits based on the following schedule:

**Pay Credit by Points for Duke Energy Corporation Cash Balance Formula**

| Points | Contribution Credit Percentage |
|---|---|
| <35 | 4%, plus 4% of pay over Social Security Wage Base |
| 35-49 | 5%, plus 4% of pay over Social Security Wage Base |
| 50-64 | 6%, plus 4% of pay over Social Security Wage Base |
| >64 | 7%, plus 4% of pay over Social Security Wage Base |

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and creditable service on such date, with the sum truncated to drop less than full points.

The monthly interest adjustment is a percentage increase in the account balance. The rate of monthly increase is the average yield on 30-year Treasury bonds for the end of the third full business week of the month prior to the beginning of the calendar quarter in which the particular month occurs. The interest factor will not be greater than an annual percentage rate of 9% and not less than 4%.

For IBEW 1347 pay credits accrued on or after January 1, 2015, the monthly interest credit is fixed based on an annual percentage rate of 4%.

Traditional Program

Effective January 1, 2007, the plan was amended to adopt a minimum benefit formula on benefit accruals beginning January 1, 2005. The benefit is the greater of Formula A or Formula B.

Formula A: 1.10% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years); plus 1.55% of FAP multiplied by service over 35 years.

Formula B: Lesser of 1.12% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years) or 1.163% of FAP multiplied by service (maximum 35

| | |
|---|---|
| | years); plus 1.492% of FAP multiplied by service over 35 years. |
| Early Retirement | |
| Traditional Program | A monthly benefit equal to the Normal Retirement benefit based on Years of Participation and Highest 3-Year Average Earnings at the date of termination. If payments begin before age 62, the payments are reduced by 6.67% per year for the first five years, 3.33% per year for the next four years, and by varying percentages thereafter. No reductions apply if a participant retires at age 55 with 85 age plus service points. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance at termination or retirement. |
| Postponed Retirement | Monthly pension benefit determined as of actual retirement date. |
| Vested Termination | |
| Traditional Program | A monthly benefit equal to the Normal Retirement benefit based on Highest Average Earnings and years of Participation at the date of termination. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Vested Termination benefits that begin before Normal Retirement will be reduced 5% per year from age 65.<br><br>Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance at termination or retirement. |
| Disability | |
| Traditional Program | Normal Retirement benefit based on Highest Average Earnings at the date of disability and years of Participation at the date of retirement. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Disability benefits that begin before Normal Retirement will be reduced using the same reductions used for Early Retirement.<br><br>Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance upon disability.<br><br>For IBEW 1347 participants as of January 1, 2015, disability occurring on or after July 1, 2015, pay credits will cease upon disability. |
| Preretirement Death | |
| Traditional Program | Under age 50: 100% of Normal Retirement benefit as of the participant's date of death, reduced actuarially for 100% Contingent Annuitant option, and reduced for payment at the |

| | |
|---|---|
| | participant's earliest retirement eligibility. |
| | Traditional Choice participants can receive this benefit as a lump sum immediately. |
| | Age 50 and older: 100% of Normal Retirement benefit as of the participant's date of death, payable immediately, reduced as applicable for early payment. |
| Cash Balance Program | The participant's beneficiary is entitled to the entire vested cash balance upon the participant's death. |

## Other Plan Provisions

| | |
|---|---|
| Normal Form of Annuity | |
| Without Spouse | Life Annuity. |
| Cash Balance Participants with Spouse | 100% Contingent Annuitant option. |
| Traditional Participants with Spouse | 100% Contingent Annuitant option actuarially equivalent to the retirement benefit payable for employee's lifetime. Participant receives reduced lifetime benefit and, in event of participant's death, 100% of reduced benefit continued to surviving spouse. If spouse dies before participant, benefit increases to life annuity value. This "pop-up" is free. |
| Optional Forms of Annuity | Employees hired after the Coverage Effective Date (as defined by the plan that varies for each particular union group): Life Annuity; Lump Sum; Contingent Annuitant (50% or 100%). |
| | Employees hired before the Coverage Effective Date: Life Annuity; Contingent Annuitant with "pop-up" (50%, 66 2/3% or 100%); 10-year Certain and Life; Life Annuity Level Income Option; 100% Contingent Annuitant Level Income Option with pop-up. |
| | A Lump Sum option is available on the Cash Balance program benefits for all participants. A Lump Sum option is available on the Traditional Program benefit for Traditional Choice participants. Traditional Frozen participants are not eligible for a Lump Sum on their Traditional Program benefit. |
| Actuarial Equivalence | |
| Mortality | Applicable mortality under IRC Section 417(e). |
| Interest | Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls. |
| Pension Increases | None. |
| Plan Participants' Contributions | None required or allowed. |
| Maximum on Benefits and Pay | All benefits and pay for any calendar year may not exceed the |

maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

## Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum.

## Changes in Benefits Valued Since Prior Year

The compensation limit for qualified pension plans under 401(a)(17) was increased from $260,000 in 2014 to $265,000 in 2015 to reflect the updated limit published by the IRS.

For IBEW 1347 participants as of January 1, 2015, disability occurring on or after July 1, 2015, pay credits will cease upon disability.

If an IBEW 1347 employee terminates employment and is rehired after December 31, 2014, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive cash balance pay credits following rehire. IBEW 1347 employees hired on or after January 1, 2015, are not eligible to participate in the plan.

For IBEW 1347 pay credits accrued on or after January 1, 2015, the monthly interest credit is fixed based on an annual percentage rate of 4%.

On April 2, 2015, a portion of the plan's assets and liabilities were spun-off outside the controlled group as a result of the sale of the Midwest Commercial Generation division.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Summary of plan provisions**

---

## Plan Provisions

Plan was restated effective January 1, 2014, and last amended December 19, 2014 (Amendment 2)

| | |
|---|---|
| Eligible Employees | Legacy Cinergy employees (other than leased employees) covered by a collective bargaining agreement which provides for participation in the plan.<br><br>If an IBEW 1347 employee terminates employment and is rehired after December 31, 2014, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive cash balance pay credits following rehire.<br><br>IBEW 1347 employees hired on or after January 1, 2015 are not eligible to participate in the plan.<br><br>On April 2, 2015, a portion of the plan's participants, assets and liabilities were spun-off as a result of the sale of Midwest Commercial Generation division. As part of the transaction, the affected participants are no longer participants in this plan. |
| Participation Date | Later of January 1, 2003, Employment Commencement Date, or age 18. |

## Definitions

| | |
|---|---|
| Service | Employees (other than intermittent or temporary employees) generally earn one month of Service for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998. |
| Earnings | Generally equal to total salary or wages, including overtime and bonuses, before any reductions under Section 125 and 401(k), but exclusive of any Company contributions to employee benefit plans and additional remuneration or expense reimbursement. Compensation considered for benefit purposes is limited based upon the provision of the IRC Section 401(a)(17). Excludes military leave pay from eligible earnings. |
| Highest Average Earnings | Highest Average Annual Earnings for any three consecutive calendar years during the last 10 years of Participation. |
| Covered Compensation | 35-year average of Social Security Wage Bases based on Year-of-Birth Table. |
| Participation | Employees (other than intermittent or temporary employees) generally earn one month of Participation for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998. |
| Normal Retirement Age | Age 65. |

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Part V — Summary of plan provisions**

---

## Eligibility for Benefits

| | |
|---|---|
| Normal Retirement | Retirement at normal retirement age. |
| Early Retirement | Age 50 and three years of service. (Five years of service prior to January 1, 2007). |
| Postponed Retirement | Retirement after normal retirement age. |
| Vested Termination | Three years of service. (Five years of service prior to January 1, 2007.) |
| Disability | Participants are immediately vested upon disability. (Five years of service were required prior to January 1, 2007.) |
| Preretirement Death Benefit | |
| Traditional Program | Married participants. (Five years of service prior to January 1, 2007.) |
| Cash Balance Program | All participants are immediately vested upon death and the benefit will be paid to the spouse, beneficiary, or estate. |

## Benefits Paid Upon the Following Events

Normal Retirement

Participant's retirement formula is either based on a final average pay formula ("Traditional Program"), a cash balance plan account ("Cash Balance Program"), or a combination of both ("Traditional Choice" or "Traditional Frozen").

**USW Employees**

On January 1, 2008, active participants governed by a collective bargaining agreement with the United Steelworkers of America, Local 12049 and Local 5541-06 (a "USW Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program USW participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit, effective January 1, 2008. These participants are included as part of the Traditional Choice group in the descriptions provided in this report.

Effective January 1, 2012, participants who elected to stay in the Traditional Program in 2008 who are not age 50 with 25 years of service were automatically moved into the Duke Energy Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report. Participants who meet the age 50 and 25 years of service requirement were allowed another choice to move to the Duke Energy Cash Balance program effective January 1, 2012.

**IBEW 352**

Balanced and Investor Cash Balance Program participants governed by a collective bargaining agreement with the International Brotherhood of Electrical Workers, Local 352 (an "IBEW 352 Employee") were moved to the Duke Energy Cash Balance Program on July 1, 2008.

**ERA**

Balanced and Investor Cash Balance Program participants governed by a collective bargaining agreement with the Employees' Representation Association (an "ERA Employee") were moved to the Duke Energy Cash Balance Program on January 1, 2009.

**UWUA**

On January 1, 2009, active participants governed by a collective bargaining agreement with the Utility Workers of America, Local 600 (a "UWUA Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program UWUA participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit effective January 1, 2009. These participants are included as part of the Traditional Choice group in the descriptions provided in this report.

Effective January 1, 2013, participants who elected to stay in the Traditional Program in 2009 who are not age 50 with 25 years of service will automatically be moved into the Duke Energy Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report. Participants who meet the age 50 and 25 years of service requirement were allowed another choice to move to the Duke Energy Cash Balance program effective January 1, 2013.

**IBEW 1347**

On January 1, 2010, active participants governed by a collective bargaining agreement with Local Union 1347 of the International Brotherhood of Electrical Workers (an "IBEW 1347 Employee") in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program IBEW 1347 participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit effective January 1, 2010. These participants are included as part of the Traditional Choice group in the descriptions provided in this

report.

Effective January 1, 2014, participants who elected to stay in the Traditional Program in 2010 whose age plus service is less than 75 were automatically moved into the Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report.

Duke Cash Balance Formula

A cash balance benefit with monthly pay credits based on the following schedule:

**Pay Credit by Points for Duke Energy Corporation Cash Balance Formula**

| Points | Contribution Credit Percentage |
|---|---|
| <35 | 4%, plus 4% of pay over Social Security Wage Base |
| 35-49 | 5%, plus 4% of pay over Social Security Wage Base |
| 50-64 | 6%, plus 4% of pay over Social Security Wage Base |
| >64 | 7%, plus 4% of pay over Social Security Wage Base |

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and creditable service on such date, with the sum truncated to drop less than full points.

The monthly interest adjustment is a percentage increase in the account balance. The rate of monthly increase is the average yield on 30-year Treasury bonds for the end of the third full business week of the month prior to the beginning of the calendar quarter in which the particular month occurs. The interest factor will not be greater than an annual percentage rate of 9% and not less than 4%.

For IBEW 1347 pay credits accrued on or after January 1, 2015, the monthly interest credit is fixed based on an annual percentage rate of 4%.

Traditional Program

Effective January 1, 2007, the plan was amended to adopt a minimum benefit formula on benefit accruals beginning January 1, 2005. The benefit is the greater of Formula A or Formula B.

Formula A: 1.10% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years); plus 1.55% of FAP multiplied by service over 35 years.

Formula B: Lesser of 1.12% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years) or 1.163% of FAP multiplied by service (maximum 35

| | |
|---|---|
| | years); plus 1.492% of FAP multiplied by service over 35 years. |
| Early Retirement | |
| Traditional Program | A monthly benefit equal to the Normal Retirement benefit based on Years of Participation and Highest 3-Year Average Earnings at the date of termination. If payments begin before age 62, the payments are reduced by 6.67% per year for the first five years, 3.33% per year for the next four years, and by varying percentages thereafter. No reductions apply if a participant retires at age 55 with 85 age plus service points. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance at termination or retirement. |
| Postponed Retirement | Monthly pension benefit determined as of actual retirement date. |
| Vested Termination | |
| Traditional Program | A monthly benefit equal to the Normal Retirement benefit based on Highest Average Earnings and years of Participation at the date of termination. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Vested Termination benefits that begin before Normal Retirement will be reduced 5% per year from age 65.<br><br>Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance at termination or retirement. |
| Disability | |
| Traditional Program | Normal Retirement benefit based on Highest Average Earnings at the date of disability and years of Participation at the date of retirement. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Disability benefits that begin before Normal Retirement will be reduced using the same reductions used for Early Retirement.<br><br>Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. |
| Cash Balance Program | Participants are always entitled to their entire vested cash balance upon disability.<br><br>For IBEW 1347 participants as of January 1, 2015, disability occurring on or after July 1, 2015, pay credits will cease upon disability. |
| Preretirement Death | |
| Traditional Program | Under age 50: 100% of Normal Retirement benefit as of the participant's date of death, reduced actuarially for 100% Contingent Annuitant option, and reduced for payment at the |

| | |
|---|---|
| | participant's earliest retirement eligibility. |
| | Traditional Choice participants can receive this benefit as a lump sum immediately. |
| | Age 50 and older: 100% of Normal Retirement benefit as of the participant's date of death, payable immediately, reduced as applicable for early payment. |
| Cash Balance Program | The participant's beneficiary is entitled to the entire vested cash balance upon the participant's death. |

## Other Plan Provisions

| | |
|---|---|
| Normal Form of Annuity | |
| Without Spouse | Life Annuity. |
| Cash Balance Participants with Spouse | 100% Contingent Annuitant option. |
| Traditional Participants with Spouse | 100% Contingent Annuitant option actuarially equivalent to the retirement benefit payable for employee's lifetime. Participant receives reduced lifetime benefit and, in event of participant's death, 100% of reduced benefit continued to surviving spouse. If spouse dies before participant, benefit increases to life annuity value. This "pop-up" is free. |
| Optional Forms of Annuity | Employees hired after the Coverage Effective Date (as defined by the plan that varies for each particular union group): Life Annuity; Lump Sum; Contingent Annuitant (50% or 100%). |
| | Employees hired before the Coverage Effective Date: Life Annuity; Contingent Annuitant with "pop-up" (50%, 66 2/3% or 100%); 10-year Certain and Life; Life Annuity Level Income Option; 100% Contingent Annuitant Level Income Option with pop-up. |
| | A Lump Sum option is available on the Cash Balance program benefits for all participants. A Lump Sum option is available on the Traditional Program benefit for Traditional Choice participants. Traditional Frozen participants are not eligible for a Lump Sum on their Traditional Program benefit. |
| Actuarial Equivalence | |
| Mortality | Applicable mortality under IRC Section 417(e). |
| Interest | Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls. |
| Pension Increases | None. |
| Plan Participants' Contributions | None required or allowed. |
| Maximum on Benefits and Pay | All benefits and pay for any calendar year may not exceed the |

maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

## Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum.

## Changes in Benefits Valued Since Prior Year

The compensation limit for qualified pension plans under 401(a)(17) was increased from $260,000 in 2014 to $265,000 in 2015 to reflect the updated limit published by the IRS.

For IBEW 1347 participants as of January 1, 2015, disability occurring on or after July 1, 2015, pay credits will cease upon disability.

If an IBEW 1347 employee terminates employment and is rehired after December 31, 2014, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive cash balance pay credits following rehire. IBEW 1347 employees hired on or after January 1, 2015, are not eligible to participate in the plan.

For IBEW 1347 pay credits accrued on or after January 1, 2015, the monthly interest credit is fixed based on an annual percentage rate of 4%.

On April 2, 2015, a portion of the plan's assets and liabilities were spun-off outside the controlled group as a result of the sale of the Midwest Commercial Generation division.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Line 24 — Change in Assumptions**

---

In addition to the prescribed changes in the discount rate and mortality, the following assumptions were changed from the prior valuation:

1. The assumed plan-related expenses added to the target normal cost were changed from $512,389 for 2014 to $534,295 for 2015.
2. The cash balance interest crediting rate associated with balances subject to a variable interest crediting rate was decreased from 4.50% to 4.25%.

**ATTACHMENT TO 2015 FORM 5500, SCHEDULE SB**
**Cinergy Corp. Union Employees' Retirement Income Plan**

**EIN: 20-2777218/PN: 009**

**Schedule SB, Line 24 — Change in Assumptions**

---

In addition to the prescribed changes in the discount rate and mortality, the following assumptions were changed from the prior valuation:

1. The assumed plan-related expenses added to the target normal cost were changed from $512,389 for 2014 to $534,295 for 2015.
2. The cash balance interest crediting rate associated with balances subject to a variable interest crediting rate was decreased from 4.50% to 4.25%.