

PPL CORP  
Form 424B5  
July 10, 2007  
Table of Contents

Filed Pursuant to Rule 424(B)(5)

File Numbers: 333-132574 and 333-132574-02

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus do not constitute an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED JULY 10, 2007**

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated March 9, 2007)

**\$100,000,000**

**PPL Capital Funding, Inc.**

**% Senior Notes due 2047**

**Fully and Unconditionally Guaranteed as to Payment of Principal and**

**Interest by**

**PPL Corporation**

PPL Capital Funding, Inc. ( "PPL Capital Funding" ) is offering its % Senior Notes due 2047 (the "Notes" ). Interest on the Notes will be payable quarterly on January 1, April 1, July 1 and October 1 of each year, commencing on October 1, 2007, and at maturity, as further described in this prospectus supplement. The Notes will mature on July 1, 2047, unless redeemed on an earlier date. The Notes will not be subject to redemption prior to July 1, 2012. On and after July 1, 2012, we may, at our option, redeem the Notes, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of Notes to be redeemed together with any accrued and unpaid interest to the redemption date. See "Description of the Notes" Redemption.

The Notes will be issued in registered form and available for purchase in the authorized denominations of \$25 and integral multiples thereof.

PPL Capital Funding's parent, PPL Corporation, will fully and unconditionally guarantee PPL Capital Funding's obligations to pay principal and interest on the Notes pursuant to its guarantees.

**Investing in the Notes involves certain risks. See Risk Factors beginning on page S-8 of this prospectus supplement and page 4 of the accompanying prospectus.**

## Edgar Filing: PPL CORP - Form 424B5

PPL Capital Funding has applied to list the Notes on the New York Stock Exchange. If that application is approved, trading of the Notes is expected to begin on the New York Stock Exchange within 30 days after the Notes are first issued. The Notes are expected to trade flat. This means that purchasers will not pay and sellers will not receive any accrued and unpaid interest on the Notes that is not included in the trading price.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, nor has the Securities and Exchange Commission or any state securities commission determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

	<b>Price to</b>	<b>Underwriting</b>	<b>Proceeds, Before</b>
	<b>Public(1)</b>	<b>Discount</b>	<b>Expenses, to Us(1)</b>
Per \$25 Note	\$ 25.00	\$	\$
Total	\$ 100,000,000	\$	\$

(1) Plus accrued interest, if any, from the date of issuance, which is expected to be on or about July , 2007.

The underwriters expect to deliver the Notes to the purchasers in book-entry form only through the facilities of The Depository Trust Company on or about July , 2007.

*Joint Book-Running Managers*

**Citi**

**Merrill Lynch & Co.**

**UBS Investment Bank**

The date of this prospectus supplement is July , 2007.

**Table of Contents**

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date after the date of this prospectus supplement.

**TABLE OF CONTENTS**

	<b>Page</b>
<b>Prospectus Supplement</b>	
<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	S-3
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-4
<u>SUMMARY</u>	S-6
<u>RISK FACTORS</u>	S-8
<u>USE OF PROCEEDS</u>	S-9
<u>CONSOLIDATED CAPITALIZATION OF PPL CORPORATION AND SUBSIDIARIES</u>	S-10
<u>DESCRIPTION OF THE NOTES</u>	S-11
<u>UNDERWRITING</u>	S-21
<u>VALIDITY OF THE NOTES AND THE GUARANTEES</u>	S-22
<b>Prospectus</b>	
<u>ABOUT THIS PROSPECTUS</u>	2
<u>RISK FACTORS</u>	4
<u>FORWARD-LOOKING INFORMATION</u>	4
<u>PPL CORPORATION</u>	6
<u>PPL CAPITAL FUNDING, INC.</u>	8
<u>PPL ENERGY SUPPLY, LLC</u>	8
<u>PPL ELECTRIC UTILITIES CORPORATION</u>	10
<u>USE OF PROCEEDS</u>	12
<u>RATIOS OF EARNINGS TO FIXED CHARGES AND EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS</u>	12
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	13
<u>EXPERTS</u>	15
<u>VALIDITY OF THE SECURITIES AND THE PPL GUARANTEES</u>	15

As used in this prospectus, the terms we, our, and us may, depending on the context, refer to PPL Capital Funding, Inc. ( PPL Capital Funding ), or to PPL Capital Funding together with PPL Corporation.

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement is part of a registration statement that PPL Capital Funding and PPL Corporation have filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under this shelf process, we are offering to sell the Notes, using this prospectus supplement and the accompanying prospectus. This prospectus supplement describes the specific terms of this offering. The accompanying prospectus and the information incorporated by reference therein describe our business and give more general information, some of which may not apply to this offering. Generally, when we refer only to the prospectus, we are referring to both parts combined. You should read this prospectus supplement together with the accompanying prospectus before making a decision to invest in the Notes. If the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement is inconsistent with the accompanying prospectus, the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement will apply and will supersede that information in the accompanying prospectus.

Certain affiliates of PPL Capital Funding and PPL Corporation, specifically PPL Energy Supply, LLC and PPL Electric Utilities Corporation, have also registered their securities on the shelf registration statement referred to above. However, the Notes are solely obligations of PPL Capital Funding, Inc. and, to the extent of the Guarantees, PPL Corporation, and not of any of PPL Corporation's other subsidiaries. None of PPL Energy Supply, LLC or PPL Electric Utilities Corporation or any of PPL Corporation's other subsidiaries will guarantee or provide any credit support for the Notes.

---

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

**Available Information**

PPL Corporation files reports and other information with the SEC. You may obtain copies of this information by mail from the Public Reference Room of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330.

PPL Corporation maintains an Internet Web site at [www.pplweb.com](http://www.pplweb.com). On the Investor Center page of that Web site, PPL Corporation provides access to its SEC filings free of charge, as soon as reasonably practicable after filing with the SEC. The information at PPL Corporation's Web site is not incorporated in this prospectus supplement by reference, and you should not consider it a part of this prospectus supplement. PPL Corporation's filings are also available at the SEC's Web site ([www.sec.gov](http://www.sec.gov)).

PPL Corporation Common Stock is listed on the New York Stock Exchange ( NYSE ) and the Philadelphia Stock Exchange (symbol: PPL), and reports, proxy statements and other information concerning PPL Corporation can also be inspected at the offices of the NYSE at 20 Broad Street, New York, New York 10005 and the Philadelphia Stock Exchange, 1900 Market Street, Philadelphia, Pennsylvania 19103. In addition, proxy statements, reports and other information concerning PPL Corporation can be inspected at its offices at Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

**Incorporation by Reference**

PPL Corporation will incorporate by reference information into this prospectus supplement by disclosing important information to you by referring you to another document that it files separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement, and later information that we file with the SEC will automatically update and supersede that information. This prospectus supplement incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about PPL Corporation.

<b>SEC Filings</b>	<b>Period/Date</b>
Annual Report on Form 10-K	Year ended December 31, 2006
Quarterly Report on Form 10-Q	Quarter ended March 31, 2007
Current Reports on Form 8-K	Filed on January 3, 2007, January 31, 2007, March 6, 2007, March 16, 2007, March 20, 2007, March 28, 2007, April 3, 2007, May 9, 2007, May 16, 2007, May 18, 2007, May 25, 2007 and June 21, 2007.

PPL Corporation's 2007 Notice of Annual Meeting and Proxy Statement Filed on April 13, 2007  
Additional documents that PPL Corporation files with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, between the date of this prospectus supplement and the termination of the offering of the Notes are also incorporated herein by reference.

PPL Corporation will provide without charge to each person, including any beneficial owner, to whom a copy of this prospectus supplement has been delivered, a copy of any and all of its filings with the SEC. You may request a copy of these filings by writing or telephoning PPL Corporation at:

Two North Ninth Street

Allentown, Pennsylvania 18101-1179

Attention: Investor Services Department

Edgar Filing: PPL CORP - Form 424B5

Telephone: 1-800-345-3085

S-4

**Table of Contents**

We have not included or incorporated by reference any separate financial statements of PPL Capital Funding herein. We do not consider those financial statements to be material to holders of the Notes because (1) PPL Capital Funding is a wholly-owned subsidiary that was formed for the primary purpose of providing financing for PPL Corporation and its subsidiaries, (2) PPL Capital Funding does not currently engage in any independent operations and (3) PPL Capital Funding does not currently plan to engage, in the future, in more than minimal independent operations. See PPL Capital Funding in the accompanying prospectus. PPL Capital Funding has received a no action letter from the Staff of the SEC stating that the Staff would not raise any objection if PPL Capital Funding does not file periodic reports under Section 13 and 15(d) of the Exchange Act. Accordingly, we do not expect PPL Capital Funding to file those reports.

S-5

**Table of Contents****SUMMARY**

*The following summary contains information about the offering by PPL Capital Funding of its Notes. It does not contain all of the information that may be important to you in making a decision to purchase the Notes. For a more complete understanding of PPL Capital Funding, PPL Corporation and the offering of the Notes and the Guarantees, we urge you to read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein carefully, including the Risk Factors sections and our financial statements and the notes to those statements.*

**The Offering**

<b>Issuer</b>	PPL Capital Funding, Inc.
<b>Guarantor</b>	PPL Corporation
<b>Securities Offered</b>	\$100,000,000 aggregate principal amount of PPL Capital Funding's % Senior Notes due 2047.
<b>Stated Maturity Date</b>	July 1, 2047
<b>Interest Payment Dates</b>	Interest on the Notes will be payable quarterly on January 1, April 1, July 1 and October 1 of each year, commencing on October 1, 2007, and at maturity, or upon earlier redemption.
<b>Interest Rate</b>	% per annum
<b>Redemption</b>	The Notes will not be subject to redemption prior to July 1, 2012. On and after July 1, 2012, the Notes may be redeemed at our option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, together with any accrued and unpaid interest to the redemption date. The Notes will not be entitled to the benefit of any sinking fund or other mandatory redemption and will not be repayable at the option of the Holder prior to the Stated Maturity Date. See Description of the Notes Redemption.
<b>Ranking, Guarantees</b>	The Notes will be PPL Capital Funding's unsecured and unsubordinated obligations and will rank equally in right of payment with PPL Capital Funding's existing unsecured and unsubordinated indebtedness and senior in right of payment to PPL Capital Funding's subordinated indebtedness. The Notes will be fully and unconditionally guaranteed by PPL Corporation as to payment of principal and interest pursuant to guarantees ( Guarantees ) of PPL Corporation. The PPL Guarantees will be PPL Corporation's unsecured obligations and will rank equally in right of payment with PPL Corporation's other unsecured and unsubordinated indebtedness. However, because PPL Corporation is a holding company, its obligations under the Guarantees will be effectively subordinated to existing and future liabilities of its subsidiaries. See Risk Factors.





**Table of Contents**

<b>Listing</b>	We have applied to list the Notes on the New York Stock Exchange ( NYSE ). If that application is approved, trading of the Notes is expected to begin on the NYSE within 30 days after the Notes are first issued.
<b>Form and Denomination</b>	The Notes will be initially issued in the form of one or more global securities, without coupons, in denominations of \$25 and integral multiples in excess thereof, and deposited with the Trustee on behalf of The Depository Trust Company ( DTC ), as depository, and registered in the name of DTC or its nominee. See Description of the Notes General and Description of the Notes Book-Entry Only Issuance The Depository Trust Company.
<b>Use of Proceeds</b>	We expect the net proceeds from the sale of the Notes to be loaned to PPL Corporation 's subsidiary, PPL Energy Funding, and then contributed to PPL Energy Supply, which will use the funds for general corporate purposes, including capital expenditures relating to the installation of pollution control equipment. Pending this use, such proceeds may be loaned to other subsidiaries of PPL Corporation for working capital purposes or invested in short-term investments.
<b>Ratings</b>	Our senior unsecured debt is currently rated BBB- by Standard & Poor 's Ratings Services, Baa2 by Moody 's Investors Service, Inc. and BBB by Fitch Ratings. A credit rating reflects an assessment by the rating agency of the creditworthiness associated with an issuer and particular securities that it issues. These ratings are not a recommendation to buy, sell or hold any securities of PPL Capital Funding or PPL Corporation. Such ratings may be subject to revisions or withdrawal by these agencies at any time and should be evaluated independently of each other and any other rating that may be assigned to the securities.
<b>Reopening of the Series</b>	We may, without the consent of the Holders of the Notes, increase the principal amount of the series and issue additional notes of such series having the same ranking, interest rate, maturity and other terms as the Notes, other than the date of issuance and, in some circumstances, the initial interest accrual date and the initial interest payment date, if applicable. Any such additional notes may, together with the Notes, constitute a single series of securities under the Indenture. See Description of the Notes General.
<b>Governing Law</b>	The Notes and the Indenture are governed by the laws of the State of New York, except to the extent the Trust Indenture Act shall be applicable.

---

**Table of Contents**

**RISK FACTORS**

*Before making a decision to invest in the Notes, you should carefully consider the following risk factors, as well as the other information included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus.*

**Risks Relating to PPL Corporation's Businesses**

See the risk factors set forth beginning on page 10 of PPL Corporation's Annual Report on Form 10-K for the year ended December 31, 2006 for a discussion of certain risks relating to PPL Corporation's businesses.

**Risks Relating to the Notes**

*PPL Corporation's cash flow and ability to meet its obligations with respect to its Guarantees of the Notes largely depend on the performance of its subsidiaries. As a result, PPL Corporation's obligations with respect to its Guarantees of the Notes will be effectively subordinated to all existing and future liabilities of its subsidiaries.*

PPL Corporation is a holding company and conducts its operations primarily through subsidiaries. Substantially all of its consolidated assets are held by such subsidiaries. Accordingly, its cash flow and its ability to meet its obligations under its Guarantees of the Notes are largely dependent upon the earnings of these subsidiaries and the distribution or other payment of such earnings to it in the form of dividends, loans or advances or repayment of loans and advances from it. The subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the Notes or to make any funds available for such payment.

Because PPL Corporation is a holding company, its obligations with respect to the Notes will be effectively subordinated to all existing and future liabilities of its subsidiaries. Therefore, its rights and the rights of its creditors, including rights of a holder of any Note, to participate in the assets of any subsidiary in the event that such a subsidiary is liquidated or reorganized will be subject to the prior claims of such subsidiary's creditors. To the extent that PPL Corporation may be a creditor with recognized claims against any such subsidiary, its claims would still be effectively subordinated to any security interest in, or mortgages or other liens on, the assets of the subsidiary and would be subordinated to any indebtedness or other liabilities of the subsidiary senior to that held by it. Although certain agreements to which PPL Corporation's subsidiaries are parties limit the ability to incur additional indebtedness, PPL Corporation and its subsidiaries retain the ability to incur substantial additional indebtedness and other liabilities.

The debt agreements of some of PPL Corporation's subsidiaries contain provisions that might restrict their ability to pay dividends, make distributions or otherwise transfer funds to PPL Corporation upon failing to meet certain financial tests or other conditions prior to the payment of other obligations, including operating expenses, debt service and reserves. PPL Corporation currently believes that all of its subsidiaries are in compliance with such tests and conditions. Further, if PPL Corporation elects to receive distributions of earnings from its foreign operations, PPL Corporation may incur United States taxes, net of any available foreign tax credits, on such amounts. Distributions to PPL Corporation from its international projects are, in some countries, also subject to withholding taxes.

***An active trading market for the Notes may not develop.***

There is no existing market for the Notes. We have applied to list the Notes on the NYSE. If that application is approved, we expect the Notes to start trading on the NYSE within 30 days after the Notes are first issued. We cannot assure that an active trading market for the Notes will develop. There can be no assurances as to the liquidity of any market that may develop for the Notes, the ability of holders to sell their Notes or the price at which the holders will be able to sell their Notes. Future trading prices of the Notes will depend on many factors including, among other things, prevailing interest rates, our operating results and the market for similar securities.

**Table of Contents**

**USE OF PROCEEDS**

We expect the net proceeds from the sale of the Notes to be loaned to PPL Corporation's subsidiary, PPL Energy Funding, and then contributed to PPL Energy Supply, which will use the funds for general corporate purposes, including capital expenditures relating to the installation of pollution control equipment. Pending this use, such proceeds may be loaned to other subsidiaries of PPL Corporation for working capital purposes or invested in short-term investments.

S-9

**Table of Contents****CONSOLIDATED CAPITALIZATION OF PPL CORPORATION AND SUBSIDIARIES**

The following table sets forth the historical unaudited consolidated cash and cash equivalents and capitalization of PPL Corporation and its consolidated subsidiaries as of March 31, 2007

on an actual basis; and

on an as adjusted basis to give effect to (i) the issuance of the Notes in this offering and (ii) the application of the estimated net proceeds of approximately \$97 million as described herein.

This table should be read in conjunction with the consolidated financial statements of PPL Corporation and its consolidated subsidiaries, the notes related thereto and the financial and operating data incorporated by reference into this prospectus supplement and the accompanying prospectus.

	As of March 31, 2007	
	Actual	As Adjusted
	(In millions)	
Cash and cash equivalents	\$ 965	\$ 1,062
Long-term debt, including current portion	\$ 7,948	\$ 7,948
Notes offered hereby		100
Total long-term debt	7,948	8,048
Minority interest	26	26
Preferred securities of a subsidiary	301	301
Shareowners' common equity	5,273	5,273
Total shareowners' equity	5,600	5,600
Total capitalization	\$ 13,548	\$ 13,648

**Table of Contents****DESCRIPTION OF THE NOTES**

The following summary description sets forth certain terms and provisions of the Notes that we are offering by this prospectus supplement. Because this description is a summary, it does not describe every aspect of the Notes or the Indenture under which the Notes will be issued, as described below. The form of Indenture is filed as an exhibit to the registration statement of which the accompanying prospectus is a part. The Indenture and its associated documents contain the full legal text of the matters described in this section. This summary is subject to and qualified in its entirety by reference to all of the provisions of the Notes and the Indenture, including definitions of certain terms used in the Indenture. We also include references in parentheses to certain sections of the Indenture. Whenever we refer to particular sections or defined terms of the Indenture in this prospectus supplement, such sections or defined terms are incorporated by reference herein. The Indenture has been qualified under the Trust Indenture Act, and you should refer to the Trust Indenture Act for provisions that apply to the Notes.

**General**

PPL Capital Funding will issue the Notes as a series of debt securities under an Indenture, dated as of November 1, 1997 (as such indenture has been and may be amended and supplemented from time to time, the Indenture), among PPL Capital Funding, PPL Corporation and The Bank of New York (as successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as trustee (the Trustee). We may issue an unlimited amount of Notes or other securities under the Indenture. The Notes and all other debt securities issued previously or hereafter under the Indenture are collectively referred to herein as the Indenture Securities.

The Notes will be unsecured and unsubordinated obligations of PPL Capital Funding and will rank equally in right of payment with PPL Capital Funding's existing unsecured and unsubordinated indebtedness and senior in right of payment to PPL Capital Funding's subordinated indebtedness. The Notes will be fully and unconditionally guaranteed by PPL Corporation as to payment of principal and interest pursuant to Guarantees of PPL Corporation. The PPL Guarantees will be PPL Corporation's unsecured obligations and will rank equally in right of payment with PPL Corporation's other unsecured and unsubordinated indebtedness.

The Notes will be issued in fully registered form only, without coupons. The Notes will be initially represented by one or more fully registered global securities (the Global Securities) deposited with the Trustee, as custodian for DTC, as depository, and registered in the name of DTC or DTC's nominee. A beneficial interest in a Global Security will be shown on, and transfers or exchanges thereof will be effected only through, records maintained by DTC and its participants, as described below under Book-Entry Only Issuance The Depository Trust Company. The authorized denominations of the Notes will be \$25 and any larger amount that is an integral multiple of \$25. Except in limited circumstances described below, the Notes will not be exchangeable for Notes in definitive certificated form.

The Notes are initially being offered in one series in the principal amount of \$100,000,000. We may, without the consent of the Holders of the Notes, increase the principal amount of the series and issue additional notes of such series having the same ranking, interest rate, maturity and other terms (other than the date of issuance and, in some circumstances, the initial interest accrual date and the initial interest payment dates, if applicable) as the Notes. Any such additional notes may, together with the Notes, constitute a single series of securities under the Indenture. The Notes and any additional notes of the same series having the same terms as the Notes offered hereby subsequently issued under the Indenture may be treated as a single class for all purposes under the Indenture, including, without limitation, voting waivers and amendments.

**Principal and Interest**

The Notes will mature on July 1, 2047 (the Stated Maturity Date) and will bear interest from the date of original issuance at the rate of % per annum. Interest will be payable quarterly on January 1, April 1, July 1

---

**Table of Contents**

and October 1 of each year (each, an Interest Payment Date ) commencing on October 1, 2007, and at Maturity (whether at the Stated Maturity Date, upon redemption, or otherwise). Subject to certain exceptions, the Indenture provides for the payment of interest on an Interest Payment Date only to persons in whose names the Notes are registered at the close of business on the Regular Record Date, which will be the December 15, March 15, June 15 and September 15 (whether or not a Business Day), as the case may be, immediately preceding the applicable Interest Payment Date; except that interest payable at Maturity will be paid to the person to whom principal is paid. Interest will be calculated on the basis of a 360-day year of twelve 30-day months, and with respect to any period less than a full calendar month, on the basis of the actual number of days elapsed during the period.

**Payment**

So long as the Notes are registered in the name of DTC, as depository for the Notes as described herein under Book-Entry Only Issuance The Depository Trust Company or DTC s nominee, payments on the Notes will be made as described therein.

If we default in paying interest on a Note, we will pay such interest either

on a special record date between 10 and 15 days before the payment; or

in any other lawful manner of payment that is consistent with the requirements of any securities exchange on which the Notes may be listed for trading. (See Section 307.)

We will pay principal of and any interest on the Notes at Maturity upon presentation of the Notes at the corporate trust office of The Bank of New York in New York, New York, as our Paying Agent. In our discretion, we may change the place of payment on the Notes, and we may remove any Paying Agent and may appoint one or more additional Paying Agents (including us or any of our affiliates). (See Section 602.)

If any Interest Payment Date, Redemption Date or the Maturity of a Note falls on a day that is not a Business Day, the required payment of principal and/or interest will be made on the next succeeding Business Day as if made on the date such payment was due, and no interest will accrue on such payment for the period from and after such Interest Payment Date, Redemption Date or the Maturity, as the case may be, to the date of such payment on the next succeeding Business Day. Business Day means any day, other than a Saturday or Sunday, that is not a day on which banking institutions or trust companies are generally authorized or required by law, regulation or executive order to close in The City of New York or other city in which any Paying Agent for the Notes is located. (See Section 113.)

**Redemption**

The Notes will not be subject to redemption prior to July 1, 2012. On and after July 1, 2012, PPL Capital Funding may, at its option, redeem the Notes, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, together with any accrued and unpaid interest to the Redemption Date.

The Notes will not be subject to a sinking fund or other mandatory redemption and will not be repayable at the option of the Holder of a Note prior to the Stated Maturity Date.

Notes will be redeemable upon notice by mail between 30 and 60 days prior to the Redemption Date. If less than all of the Notes of any series or any tranche thereof are to be redeemed, the Trustee will select the Notes for redemption in such manner as it deems fair and appropriate. (See Sections 403 and 404.)

Notes called for redemption will cease to bear interest on the Redemption Date. We will pay the redemption price and any accrued interest once you surrender the Note for redemption. (See Section 405.) If only part of a

---

## **Table of Contents**

Note is redeemed, the Trustee will deliver to you a new Note for the remaining portion without charge. (See Section 406.)

PPL Capital Funding may make any redemption at its option conditional upon the receipt by the Paying Agent, on or prior to the date fixed for redemption, of money sufficient to pay the redemption price. If the Paying Agent has not received such money by the date fixed for redemption, we will not be required to redeem such Notes. (See Section 404.)

### **Form; Transfers; Exchanges**

So long as the Notes are registered in the name of DTC, as depository for the Notes as described herein under **Book-Entry Only Issuance** The Depository Trust Company or DTC's nominee, transfers and exchanges of beneficial interests in the Notes will be made as described therein. In the event that the book-entry only system is discontinued, and the Notes are issued in certificated form, you may exchange or transfer Notes at the corporate trust office of the Trustee. The Trustee acts as our agent for registering Notes in the names of Holders and transferring debt securities. We may appoint another agent or act as our own agent for this purpose. The entity performing the role of maintaining the list of registered Holders is called the **Security Registrar**. It will also perform transfers. In our discretion, we may change the place for registration of transfer of the Notes and may remove and/or appoint one or more additional Security Registrars (including us or any of our affiliates). (See Sections 305 and 602.)

There will be no service charge for any transfer or exchange of the Notes, but you may be required to pay a sum sufficient to cover any tax or other governmental charge payable in connection therewith. We may block the transfer or exchange of (1) Notes during a period of 15 days prior to giving any notice of redemption or (2) any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part. (See Section 305.)

### **Guarantees**

PPL Corporation will fully and unconditionally guarantee the payment of principal of and any interest on the Notes, when due and payable, whether at the Stated Maturity Date, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of the Notes and the Indenture. The Guarantees will remain in effect until the entire principal of and interest on the Notes has been paid in full or otherwise discharged in accordance with the provisions of the Indenture. (See Article Fourteen.)

### **Certain Trading Characteristics**

The Notes are expected to trade at a price that takes into account the value, if any, of accrued but unpaid interest (except for interest accrued after a Regular Record Date and prior to an Interest Payment Date, which interest will be payable to the Holders as of the Regular Record Date, as described above); thus, purchasers will not pay and sellers will not receive accrued and unpaid interest with respect to the Notes that is not included in the trading price thereof. Any portion of the trading price of a Note received that is attributable to accrued interest will be treated as ordinary interest income for federal income tax purposes and will not be treated as part of the amount realized for purposes of determining gain or loss on the disposition of the Note.

### **Events of Default**

An Event of Default with respect to the Notes will occur if

we do not pay any interest on any Note within 30 days of the due date;

we do not pay principal on any Note on its due date;



## **Table of Contents**

we remain in breach of a covenant (excluding covenants solely applicable to a specific series other than the Notes) or warranty of the Indenture for 90 days after we receive a written notice of default stating we are in breach and requiring remedy of the breach; the notice must be sent by either the Trustee or Holders of 25% of the aggregate principal amount of the outstanding Indenture Securities of the affected series; the Trustee or such Holders can agree to extend the 90-day period and such an agreement to extend will be automatically deemed to occur if we are diligently pursuing action to correct the default;

PPL Corporation's Guarantees of the Notes cease to be effective (except in accordance with their terms), are found in any judicial proceeding to be unenforceable or invalid, or are denied or disaffirmed (except in accordance with their terms);

we file for bankruptcy or certain other similar events in bankruptcy, insolvency, receivership or reorganization occur.  
(See Section 801.)

No Event of Default with respect to the Notes necessarily constitutes an Event of Default with respect to the Indenture Securities of any other series issued under the Indenture.

### **Remedies**

#### ***Acceleration***

*Any One Series.* If an Event of Default occurs and is continuing with respect to any one series of Indenture Securities, then either the Trustee or the Holders of 25% in principal amount of the outstanding Indenture Securities of such series may declare the principal amount of all of the Indenture Securities of such series to be due and payable immediately.

*More Than One Series.* If an Event of Default occurs and is continuing with respect to more than one series of Indenture Securities, then either the Trustee or the Holders of 25% of the aggregate principal amount of the outstanding Indenture Securities of all such series, considered as one class, may make such declaration of acceleration. Thus, if there is more than one series affected, the action by the Holders of 25% of the aggregate principal amount of the outstanding Indenture Securities of any particular series will not, in itself, be sufficient to make a declaration of acceleration. (See Section 802.)

#### ***Rescission of Acceleration***

After the declaration of acceleration has been made and before the Trustee has obtained a judgment or decree for payment of the money due, such declaration and its consequences will be rescinded and annulled, if

we pay or deposit with the Trustee a sum sufficient to pay

all overdue interest;

the principal of and any premium which have become due otherwise than by such declaration of acceleration and interest thereon;

interest on overdue interest to the extent lawful; and

all amounts due to the Trustee under the Indenture; and

## Edgar Filing: PPL CORP - Form 424B5

all Events of Default, other than the nonpayment of the principal which has become due solely by such declaration of acceleration, have been cured or waived as provided in the Indenture. (See Section 802.) For more information as to waiver of defaults, see Waiver of Default and of Compliance below.

S-14

---

**Table of Contents**

***Control by Holders; Limitations***

Subject to the Indenture, if an Event of Default with respect to the Indenture Securities of any one series occurs and is continuing, the Holders of a majority in principal amount of the outstanding Indenture Securities of that series will have the right to

direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or

exercise any trust or power conferred on the Trustee with respect to the Indenture Securities of such series.

If an Event of Default is continuing with respect to more than one series of Indenture Securities, the Holders of a majority in aggregate principal amount of the outstanding Indenture Securities of all such series, considered as one class, will have the right to make such direction, and not the Holders of the Indenture Securities of any one of such series.

These rights of Holders to make direction are subject to the following limitations:

the Holders' directions may not conflict with any law or the Indenture; and

the Holders' directions may not involve the Trustee in personal liability where the Trustee believes indemnity is not adequate.

The Trustee may also take any other action it deems proper which is consistent with the Holders' direction. (See Sections 812 and 903.) With respect to Events of Default and other defaults in the performance of, or breach of, covenants in the Indenture that do not constitute Events of Default, if any such Event of Default or other default occurs and is continuing after any applicable notice and/or cure period, then the Trustee may in its discretion (and subject to the rights of the Holders to control remedies as described above and certain other conditions specified in the Indenture) bring such judicial proceedings as the Trustee shall deem appropriate or proper.

The Indenture provides that no Holder of any Indenture Security will have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture for the appointment of a receiver or for any other remedy thereunder unless

that Holder has previously given the Trustee written notice of a continuing Event of Default;

the Holders of 25% in aggregate principal amount of the outstanding Indenture Securities of all affected series, considered as one class, have made written request to the Trustee to institute proceedings in respect of that Event of Default and have offered the Trustee reasonable indemnity against costs and liabilities incurred in complying with such request; and

for 60 days after receipt of such notice, the Trustee has failed to institute any such proceeding and no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of outstanding Indenture Securities of all affected series, considered as one class.

Furthermore, no Holder will be entitled to institute any such action if and to the extent that such action would disturb or prejudice the rights of other Holders. (See Sections 807 and 903.)

However, each Holder has an absolute and unconditional right to receive payment when due and to bring a suit to enforce that right. (See Sections 807 and 808.)

**Notice of Default**

## Edgar Filing: PPL CORP - Form 424B5

The Trustee is required to give the Holders of the Notes notice of any default under the Indenture to the extent required by the Trust Indenture Act, unless such default has been cured or waived; except that in the case

S-15

## **Table of Contents**

of an Event of Default of the character specified above in the third bullet point under Events of Default, no such notice shall be given to such Holders until at least 75 days after the occurrence thereof. (See Section 902.) The Trust Indenture Act currently permits the Trustee to withhold notices of default (except for certain payment defaults) if the Trustee in good faith determines the withholding of such notice to be in the interests of the Holders.

PPL Capital Funding and PPL Corporation will furnish the Trustee with an annual statement as to their compliance with the conditions and covenants in the Indenture. (See Section 605.)

### **Waiver of Default and of Compliance**

The Holders of a majority in principal amount of the outstanding Notes may waive, on behalf of the Holders of all outstanding Notes, any past default under the Indenture, except a default in the payment of principal or interest, or with respect to compliance with certain provisions of the Indenture that cannot be amended without the consent of the Holder of each outstanding Indenture Security. (See Section 813.)

Compliance with certain covenants in the Indenture or otherwise provided with respect to Indenture Securities may be waived by the Holders of a majority in aggregate principal amount of the affected Indenture Securities, considered as one class. (See Section 606.)

### **Consolidation, Merger and Conveyance of Assets as an Entirety**

Subject to the provisions described in the next paragraph, each of PPL Capital Funding and PPL Corporation has agreed in the Indenture to preserve its corporate existence. (See Section 604.)

PPL Capital Funding and PPL Corporation have each also agreed not to consolidate with or merge into any other entity or convey, transfer or lease its properties and assets substantially as an entirety to any entity unless

the entity formed by such consolidation or into which PPL Capital Funding or PPL Corporation, as the case may be, is merged or the entity which acquires or which leases its property and assets substantially as an entirety is a corporation or limited liability company organized and existing under the laws of the United States of America or any State thereof or the District of Columbia, and expressly assumes, by supplemental indenture, the due and punctual payment of the principal and interest on all the outstanding Notes (or the Guarantees, as the case may be) and the performance of all of its covenants under the Indenture; and

immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, will have occurred and be continuing. (See Section 1101.)

The Indenture does not prevent or restrict:

any consolidation or merger after the consummation of which PPL Capital Funding or PPL Corporation would be the surviving or resulting entity; or

any conveyance or other transfer, or lease, of any part of the properties of PPL Capital Funding or PPL Corporation which does not constitute the entirety, or substantially the entirety, thereof. (See Section 1103.)

### **Modification of Indenture**

*Without Holder Consent.* Without the consent of any Holders of Indenture Securities, PPL Capital Funding, PPL Corporation and the Trustee may enter into one or more supplemental indentures for any of the following purposes:

to evidence the succession of another entity to PPL Capital Funding or PPL Corporation;



**Table of Contents**

to add one or more covenants or other provisions for the benefit of the Holders of all or any series or tranche of Indenture Securities, or to surrender any right or power conferred upon us;

to add any additional Events of Default for all or any series of Indenture Securities;

to change or eliminate any provision of the Indenture or to add any new provision to the Indenture that does not adversely affect the interests of the Holders;

to provide security for the Indenture Securities of any series;

to establish the form or terms of Indenture Securities of any series or tranche as permitted by the Indenture;

to provide for the issuance of bearer securities;

to evidence and provide for the acceptance of appointment of a separate or successor Trustee;

to provide for the procedures required to permit the utilization of a noncertificated system of registration for any series or tranche of Indenture Securities;

to change any place or places where

we may pay principal, premium and interest,

Indenture Securities may be surrendered for transfer or exchange, and

notices and demands to or upon PPL Capital Funding or PPL Corporation may be served; or

to cure any ambiguity, defect or inconsistency or to make any other changes that do not adversely affect the interests of the Holders in any material respect.

If the Trust Indenture Act is amended after the date of the Indenture so as to require changes to the Indenture or so as to permit changes to, or the elimination of, provisions which, at the date of the Indenture or at any time thereafter, were required by the Trust Indenture Act to be contained in the Indenture, the Indenture will be deemed to have been amended so as to conform to such amendment or to effect such changes or elimination, and PPL Capital Funding, PPL Corporation and the Trustee may, without the consent of any Holders, enter into one or more supplemental indentures to effect or evidence such amendment. (See Section 1201.)

*With Holder Consent.* Except as provided above, the consent of the Holders of at least a majority in aggregate principal amount of the Indenture Securities of all outstanding series, considered as one class, is generally required for the purpose of adding to, changing or eliminating any of the provisions of the Indenture pursuant to a supplemental indenture. However, if less than all of the series of outstanding Indenture Securities are directly affected by a proposed supplemental indenture, then such proposal only requires the consent of the Holders of a majority in aggregate principal amount of the outstanding Indenture Securities of all directly affected series, considered as one class. Moreover, if the Indenture Securities of any series have been issued in more than one tranche and if the proposed supplemental indenture directly affects the rights of the

## Edgar Filing: PPL CORP - Form 424B5

Holders of Indenture Securities of one or more, but less than all, of such tranches, then such proposal only requires the consent of the Holders of a majority in aggregate principal amount of the outstanding Indenture Securities of all directly affected tranches, considered as one class.

However, no amendment or modification may, without the consent of the Holder of each outstanding Indenture Security directly affected thereby,

change the stated maturity of the principal or interest on any Indenture Security (other than pursuant to the terms thereof), or reduce the principal amount, interest or premium payable or change the currency in which any Indenture Security is payable, or impair the right to bring suit to enforce any payment;

reduce the percentages of Holders whose consent is required for any supplemental indenture or waiver or reduce the requirements for quorum and voting under the Indenture; or

S-17



## **Table of Contents**

modify certain of the provisions in the Indenture relating to supplemental indentures and waivers of certain covenants and past defaults.

A supplemental indenture which changes or eliminates any provision of the Indenture expressly included solely for the benefit of Holders of Indenture Securities of one or more particular series or tranches will be deemed not to affect the rights under the Indenture of the Holders of Indenture Securities of any other series or tranche. (See Section 1202.)

We will be entitled to set any day as a record date for the purpose of determining the Holders of outstanding Indenture Securities of any series entitled to give or take any demand, direction, consent or other action under the Indenture, in the manner and subject to the limitations provided in the Indenture. In certain circumstances, the Trustee also will be entitled to set a record date for action by Holders. If such a record date is set for any action to be taken by Holders of particular Indenture Securities, such action may be taken only by persons who are Holders of such Indenture Securities at the close of business on the record date. (See Section 104.)

The Indenture provides that certain Indenture Securities, including those for which payment or redemption money has been deposited or set aside in trust as described under Satisfaction and Discharge below, will not be deemed to be outstanding in determining whether the Holders of the requisite principal amount of the outstanding Indenture Securities have given or taken any demand, direction, consent or other action under the Indenture as of any date, or are present at a meeting of Holders for quorum purposes. (See Section 101.)

### **Satisfaction and Discharge**

Any Indenture Securities or any portion will be deemed to have been paid for purposes of the Indenture, and at PPL Capital Funding's election, the entire indebtedness of PPL Capital Funding and PPL Corporation will be satisfied and discharged, if there shall have been irrevocably deposited with the Trustee or any Paying Agent (other than PPL Capital Funding or PPL Corporation), in trust

money sufficient,

in the case of a deposit made prior to the maturity of such Indenture Securities, non-redeemable Government Obligations (as defined in the Indenture) sufficient, or

a combination of items listed in the preceding two bullet points, which in total are sufficient, to pay when due the principal of, and any premium and interest due and to become due on such Indenture Securities or portions thereof on and prior to the maturity thereof. (See Section 701.)

The Indenture will be deemed satisfied and discharged when no Indenture Securities remain outstanding and when we have paid all other sums payable by us under the Indenture. (See Section 702.)

All moneys we pay to the Trustee or any Paying Agent on Indenture Securities which remain unclaimed at the end of two years after payments have become due will be paid to or upon the order of PPL Capital Funding. Thereafter, the Holder of such Indenture Security may look only to us for payment. (See Section 603.)

### **Resignation and Removal of the Trustee; Deemed Resignation**

The Trustee may resign at any time by giving written notice to us.

The Trustee may also be removed by act of the Holders of a majority in principal amount of the then outstanding Indenture Securities of any series.

No resignation or removal of the Trustee and no appointment of a successor trustee will become effective until the acceptance of appointment by a successor trustee in accordance with the requirements of the Indenture.



## **Table of Contents**

Under certain circumstances, we may appoint a successor trustee and if the successor accepts, the Trustee will be deemed to have resigned. (See Section 910.)

### **Notices**

Notices to Holders of Notes will be given by mail to the addresses of the Holders as they may appear in the security register. (See Section 106.)

### **Title**

PPL Capital Funding, PPL Corporation, the Trustee, and any agent of PPL Capital Funding, PPL Corporation or the Trustee, will treat the person or entity in whose name Indenture Securities are registered as the absolute owner of those Indenture Securities (whether or not the Indenture Securities may be overdue) for the purpose of making payments and for all other purposes irrespective of notice to the contrary. (See Section 308.)

### **Governing Law**

The Indenture and the Indenture Securities provide that they will be governed by and construed in accordance with the laws of the State of New York, except to the extent the Trust Indenture Act shall be applicable. (See Section 112.)

### **Regarding the Trustee**

The Trustee under the Indenture is The Bank of New York ( BNY ). In addition to acting as Trustee, BNY also maintains various banking and trust relationships with us and some of our affiliates.

### **Book-Entry Only Issuance The Depository Trust Company**

DTC will act as the initial securities depository for the Notes. The Notes will be issued in fully registered form and will be evidenced by one or more global Notes registered in the name of DTC's nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The global Notes will be deposited with the Trustee as custodian for DTC.

DTC is a New York limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Securities