

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

For the fiscal year ended DECEMBER 31, 1993

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER 1-707

KANSAS CITY POWER & LIGHT COMPANY
(Exact name of registrant as specified in its charter)

Missouri (State or other jurisdiction of incorporation or organization)	44-0308720 (I. R. S. Employer Identification No.)
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1201 Walnut Street Kansas City, Missouri (Address of principal executive offices)	64106 (Zip Code)
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Registrant's telephone number, including area code: 816-556-2200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Cumulative Preferred Stock par value \$100 per share - 3.80%, 4.50%, 4.35%	New York Stock Exchange
Common Stock without par value	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to
such filing requirements for the past 90 days. Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item
405 of Regulation S-K is not contained herein, and will not be contained, to
the best of registrant's knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-K or any
amendment to the Form 10-K. Yes X No

On March 21, 1994, the Company had 61,908,726 outstanding shares of common
stock without par value, and the aggregate market value (based upon the
closing price of these shares on the New York Stock Exchange) of voting
securities held by nonaffiliates of the Company was approximately
\$1,375,382,037.

Documents Incorporated by Reference

Portions of the Company's 1994 Notice of Annual Meeting of Stockholders and
Proxy Statement are incorporated by reference in Part III of this report.

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ITEM 1. BUSINESS

The Company

Kansas City Power & Light Company (Company) was incorporated in Missouri in 1922 and is headquartered in downtown Kansas City, Missouri. The Company is a medium-sized public utility engaged in the generation, transmission, distribution and sale of electricity to over 419,000 customers in a 4,700 square mile area located in all or portions of 23 counties in western Missouri and eastern Kansas. About two-thirds of the total retail kilowatt-hour sales and revenue are from Missouri customers and the remainder from Kansas customers. Customers include 368,000 residences, 49,000 commercial firms, 2,000 industries, 12 municipalities and 25 other electric utilities. Retail revenues in Missouri and Kansas accounted for approximately 91% of the Company's total revenues in 1993. Wholesale firm power, bulk power sales and miscellaneous electric revenues accounted for the remainder of revenues. The Kansas City metropolitan area, from which about 95% of the Company's retail revenues are derived, is an agribusiness center and a major regional commercial center for wholesale, retail and service companies.

The Company as a regulated utility does not have direct competition for retail electric service in its service territory; however, there is competition in the generation of electricity and between electric and gas as an energy source.

Regulation

The Company is subject to the jurisdiction of the Public Service Commission of the State of Missouri (MPSC), the State Corporation Commission of the State of Kansas (KCC), the Federal Energy Regulatory Commission (FERC), the Nuclear Regulatory Commission (NRC) and certain other governmental regulatory bodies as to various phases of its operations, including rates, service, safety and nuclear plant operations, environmental matters and issuances of securities.

Rates

The Company's retail electric rates are regulated by the MPSC and KCC for sales within the respective states of Missouri and Kansas. FERC approves the Company's rates for wholesale bulk electricity sales. Firm electric sales are made by contractual arrangements between the entity being served and the Company.

The Company has not increased any of its retail or wholesale rates since 1988. Pursuant to a stipulation and agreement with the MPSC, the Company reduced Missouri retail rates by about 2.7 percent effective January 1, 1994 and agreed to a moratorium through 1995 on the filing of general retail rate increases or decreases in Missouri.

Environmental Matters

The Company, like other electric utilities, is subject to regulation by various federal, state and local authorities with respect to air and water emissions, waste disposal and other environmental matters. Environmental regulations and standards are subject to continual review and the Company cannot presently estimate the additional cost, if any, of meeting any new regulations or standards which might be established in the future, nor can it estimate the possible effect which any new regulations or standards could have upon its operations. However, the Company currently estimates that expenditures necessary to comply with environmental regulations during 1994 will not be material with the possible exceptions set forth below.

Air

The Clean Air Act Amendments of 1990 contain acid rain and air toxic provisions which affect the Company. The acid rain provisions established a two-phase utility pollution control program for reducing national SO₂ emissions by 10 million tons and NO_x emissions by 2 million tons from 1980 levels. Compliance will require the Company to install continuous emission monitoring equipment (CEM) at some of its coal-fired electric generating facilities during the period ending in the year 2000. The Company is currently estimating its costs of such compliance to be approximately \$4.1 million during such period (\$2.9 million of such amount was spent through 1993). The other utility-related provision of the Act calls for a study by the Environmental Protection Agency (EPA) of certain toxic emissions into the air. Based on the outcome of these studies, regulation of certain toxic emissions into the air, including mercury, could be required in the future.

Water

The Company commissioned an environmental assessment of its Northeast Station and of its Spill Prevention Control and Countermeasure plan as required by the Clean Water Act. The assessment revealed contamination of the site by petroleum products, heavy metals, volatile and semi-volatile organic compounds, asbestos, pesticides and other regulated substances. Based upon studies and discussions with Burns & McDonnell, the cost of the cleanup could range between \$1.5 million and \$6 million.

Also, groundwater analysis has indicated that certain volatile organic compounds are moving through the Northeast site, just above bedrock, from unidentified sources off-site. There is no evidence that the Company released these compounds; however, notice was given to the Missouri Department of Natural Resources (MDNR). MDNR has not responded to date to the notice. Because the Company believes it will not have liability in this matter, it has not performed a study regarding the possible cost of remediation.

Waste Disposal

The Comprehensive Environmental Response, Compensation and Liability Act (Superfund) established joint and several liability for persons and entities that generate, transport or deposit hazardous waste at contaminated sites, as well as the current owners of such sites and predecessors in title since the time such sites were contaminated.

Interstate Power Company of Dubuque, Iowa (Interstate) filed a lawsuit in 1989 against the Company in the Federal District Court for the District of Iowa seeking from the Company contribution and indemnity under the Superfund for clean-up costs of hazardous substances at the site of a demolished gas manufacturing plant in Mason City, Iowa. The plant was operated by the Company for very brief periods of time before the plant was demolished in 1952. The site and all other properties the Company owned in Iowa were sold to Interstate in 1957. The Company estimates that the cleanup could cost up to \$10 million. The Company's estimate is based upon an evaluation of available information from on-going site investigation and assessment activities, including the costs of such activities.

Fuel Supply

The Company's latest fuel budget anticipates that fuel used for its electric generating requirements during 1994 will be approximately 73.7% coal, 0.3% gas, 0.3% oil, 25.6% nuclear and 0.1% steam.

Coal

The Company currently projects that during 1994 9.7 million tons of coal will be burned at all of the Company's generating units (including jointly-owned units); 6.7 million tons will be burned for the Company's account. The long-term contractual arrangements for coal for the Company's account are as follows:

Supplier and Surface Mine Location	Year of Expiration	Undelivered Maximum Quantities (Tons)	1994 Contract Designations (Tons)	1993 Average Sulfur Content of Coal %
Rochelle Coal Company Wright, Wyoming.....	1999(a)	2,544,000	1,100,000	0.2
ARCO Coal Company Wright, Wyoming.....	2003	15,680,000(b)	1,610,000(b)	0.3
Total		18,224,000	2,710,000	

(a) Contract is effective until December 31, 1999 or until the maximum quantity of coal is delivered, whichever occurs first. It is estimated the maximum quantity of coal will be delivered by December 31, 1996.

(b) Company's share of coal under contract for jointly-owned units.

These long-term contracts supply 40% of the Company's anticipated coal requirements for 1994, and the remainder will be supplied by open market purchases.

The Company's average costs of coal burned for its account, exclusive of fuel handling costs, for the past three years are as follows:

	1993	1992	1991
Cost per million BTU.....	\$ 0.962	\$ 1.022	\$ 1.059
Cost per ton.....	\$16.66	\$17.87	\$18.79

Gas

Natural gas is purchased directly from natural gas producers or marketers. The Company's Hawthorn Station, which uses coal as boiler fuel, primarily uses gas for ignition and flame stabilization purposes. When available, natural gas can also be used as a supplementary fuel to generate electricity at Hawthorn when required for environmental or other temporary operating conditions. The Company also has facilities at Hawthorn to use oil for ignition and flame stabilization purposes because of possible interruptions in the availability of gas. The Company's use of gas for electric generation was 0.7 million mcf in 1991, 0.2 million mcf in 1992 and 0.4 million mcf in 1993. For the year ended December 31, 1993, the average cost of gas burned for electric generation was \$2.51 per million BTU.

Oil

Middle distillate fuel oil is used to operate the Company's eight peak load combustion turbine generating units, for ignition and flame stabilization purposes at other fossil fueled units and to fuel auxiliary boilers at the Wolf Creek Nuclear Generating Station (Wolf Creek). In 1993, the Company used about 20,000 barrels of fuel oil at its combustion turbine, about 34,000 barrels for ignition and flame stabilization purposes and about 3,000 barrels at Wolf Creek. The Company's share of fuel oil storage capacity is about 190,000 barrels. At December 31, 1993, the Company had about 101,100 barrels of fuel oil in storage at an average cost of \$27.43 per barrel, or \$4.73 per million BTU.

Nuclear

The Wolf Creek Nuclear Operating Corporation (WCNOC), which operates Wolf Creek, has on hand or under contract 73% of the uranium required to operate Wolf Creek through the year 2001, and the balance is expected to be obtained through open market or contract purchases.

Contracts are in place for 100% of Wolf Creek's uranium fuel enrichment services requirements for 1994-1996, 70% of such requirements for 1997-1998, and 100% of such requirements for 2002-2014. The balance of the requirements is expected to be obtained through a combination of open market and contract purchases.

Contracts are in place for the conversion of sufficient uranium to uranium hexafluoride to meet Wolf Creek's uranium fuel requirements through 1995 as well as for the fabrication of uranium fuel assemblies to meet Wolf Creek's requirements through 2014.

High-Level Waste

The Nuclear Waste Policy Act of 1982 established schedules, guidelines and responsibilities for the United States Department of Energy (DOE) to develop and construct repositories for the ultimate disposal of spent nuclear fuel and nuclear high-level waste. The DOE has not yet constructed a high-level nuclear waste disposal site and has announced that a permanent storage facility for such waste may not be in operation prior to 2013, although an interim facility may be available earlier. Wolf Creek contains a temporary on-site spent nuclear fuel storage facility which, under current regulatory guidelines, provides space for the storage of spent nuclear fuel from plant operation until approximately 2006, while still maintaining full core off-load nuclear fuel storage capability. The Company believes adequate additional temporary storage space for Wolf Creek's nuclear waste can be obtained, as necessary.

Low-Level Waste

The Low-Level Radioactive Waste Policy Amendments Act of 1985 mandated that the various states, individually or through interstate compacts, develop alternative low-level radioactive waste disposal facilities to replace the three currently-available facilities in South Carolina, Nevada and Washington.

The states of Kansas, Nebraska, Arkansas, Louisiana and Oklahoma formed the Central Interstate Low-Level Radioactive Waste Compact and selected a site in northern Nebraska to locate a disposal facility. The present estimate of the cost for such a facility is about \$146 million. WCNOG and the owners of the other five nuclear units in the compact have provided most of the pre-construction financing for this project. To date, the compact has spent in excess of \$55 million, of which \$6.8 million was WCNOG's share. If WCNOG and the owners of the other nuclear units in the compact elect to provide construction financing, WCNOG's share would be about \$9.6 million.

There is uncertainty as to whether this project will be completed. Significant opposition to the project has been raised by the residents in the area of the proposed facility and attempts have been made to pass legislation in Nebraska to slow down or stop development of the facility. In January 1993, a lawsuit was filed in the U.S. District Court by the Nebraska Attorney General seeking to halt further development of the proposed facility. The trial court rendered judgment against the Attorney General, but the decision has been appealed to the U.S. Court of Appeals. Although all federally-imposed milestones have been met in the past, the compact did not meet the last milestone of having a disposal facility in operation by January 1, 1993; however, none of the other eight compacts in the United States met this deadline. WCNOG has expanded its on-site temporary storage capacity in order to handle its low-level radioactive waste until such time as a disposal facility becomes available.

Employees

At December 31, 1993, the Company had 2,735 employees (including temporary employees), 1,809 of which were represented by three local unions of the International Brotherhood of Electrical Workers (IBEW). However, the Company announced an early retirement program in March 1994. See "Notes to Consolidated Financial Statements - Subsequent Event" on page 36 of this report. Included in the total number of employees are 315 located at LaCygne Generating Station (LaCygne), 50% of whose services are attributable to Kansas Gas and Electric Company (KG&E) for its 50% share of LaCygne, and 137 located at Iatan Generating Station (Iatan), 30% of whose services are attributable to St. Joseph Light & Power Company (SJLP) and the Empire District Electric Company (EDE) for their 18% and 12% shares of Iatan, respectively. The Company has labor agreements with Local 1613, representing clerical employees (which expires March 29, 1996), with Local 1464, representing outdoor workers (which expires January 8, 1997), and with Local 412, representing power plant workers (which expires March 5, 1995). The Company is also a 47% owner of WCNOG, which employs 1,242 persons to operate Wolf Creek, 308 of which are represented by the IBEW.

Subsidiaries

KLT Inc., a wholly-owned subsidiary of the Company, was formed in 1992 as a holding company for various non-regulated business opportunities. Currently KLT Inc., has three wholly owned subsidiaries which include KLT Investments Inc. which is a passive investor in economic and community development and energy related investments; KLT Energy Services Inc., which is a partner in an energy management services business; and KLT Power Inc., which was formed in 1993 to participate in independent power and cogeneration projects. The Company's equity investment in the KLT companies is currently \$9.5 million (\$4.5 million was invested as of December 31, 1993).

Subsequent Financing Events

Since December 31, 1993, the Company has redeemed \$13,982,500 its portion of the outstanding \$30,000,000 City of LaCygne, Kansas Pollution Control Revenue Bonds (Kansas City Power & Light Company - Kansas Gas and Electric Company) Series 1973 and \$21,940,000 City of LaCygne, Kansas Pollution Control Revenue Refunding Bonds (Kansas City Power & Light Company Project) Series 1977 with the issuance of \$35,922,500 City of LaCygne, Kansas, Environmental Improvement Revenue Refunding Bonds (Kansas City Power & Light Company Project) Series 1994.

Officers of the Registrant

Name	Age	Positions Currently Held	Year Elected as an Officer
Drue Jennings	47	Chairman of the Board, President and Chief Executive Officer	1980
Bernard J. Beaudoin	53	Senior Vice President-Finance Chief Financial Officer	1984
Samuel P. Cowley	59	Senior Vice President-Corporate Affairs, Chief Legal Officer and Assistant Secretary	1977
Ronald G. Wasson	49	Senior Vice President-Administrative & Technical Services	1983
Frank L. Branca	46	Vice President-Power Supply	1989
Charles R. Cole	47	Vice President-Customer Services	1990
James L. Hogan	63	Vice President-Environmental & Research Services	1984
Marcus Jackson	42	Vice President-Power Production	1989
Turner White*	44	Vice President-Communications	1990
John J. DeStefano	44	Treasurer	1989
Jeanie Sell Latz	42	Corporate Secretary	1991
Neil Roadman	48	Controller	1980
Mark C. Sholander	48	General Counsel and Assistant Secretary	1986

* All of the foregoing persons have been officers of the Company or employees in a responsible position with the Company for the past five years except for Mr. White. Mr. White has been with the Company since 1989; prior to that he was Vice President, Public Relations of Bernstein-Rein Advertising, Inc. from 1986 to 1989.

The term of office of each officer commences with his or her appointment by the Board of Directors and ends at such time as the Board of Directors may determine.

ITEM 2. PROPERTIES

Generation Resources

The Company's generating facilities consist of the following:

Fuel	Unit	Year Completed	Estimated 1994 Megawatt(mw) Capacity	
Existing Units				
Base Load..	Wolf Creek(a)	1985	545(b)	Nuclear
	Iatan	1980	469(b)	Coal
	LaCygne 2	1977	335(b)	Coal
	LaCygne 1	1973	343(b)	Coal
	Hawthorn 5	1969	457	
Coal/Gas	Montrose 3	1964	161	Coal
	Montrose 2	1960	152	Coal
	Montrose 1	1958	150	Coal
Peak Load..	Northeast 13 and 14(c)	1976	112	Oil
	Northeast 17 and 18(c)	1977	108	Oil
	Northeast 15 and 16(c)	1975	103	Oil
	Northeast 11 and 12(c)	1972	99	Oil
	Grand Avenue (2 units)	1929 & 1948	64	Gas
	Total		3,098	

(a) This unit is one of the Company's principal generating facilities and has the lowest fuel cost of any of its generating facilities. Any extended shutdown of the unit for any reason could have a substantial adverse effect on the operations of the Company and its financial condition.

(b) Company's share of jointly-owned unit.

(c) Combustion turbines.

The Company's maximum system net hourly peak load of 2,819 mw occurred on August 17, 1993. The maximum winter peak load of 1,829 mw occurred on December 21, 1989. The accredited generating capacity of the Company's electric facilities in the summer (when peak loads are experienced) of 1993 under MOKAN Power Pool standards was 3,085 mw.

The Company owns the Hawthorn Station (Jackson County, Missouri), Montrose Station (Henry County, Missouri), Northeast Station (Jackson County, Missouri) and two Grand Avenue Station turbine generators (Jackson County, Missouri). The Company also owns 50% of the 685-mw LaCygne 1 Unit and 670-mw LaCygne 2 Unit in Linn County, Kansas; 70% of the 670-mw Iatan Station in Platte County, Missouri; and 47% of the 1,160 mw Wolf Creek in Coffey County, Kansas.

Transmission and Distribution Resources

The Company's electric transmission system is interconnected with systems of other utilities to permit bulk power transactions with other electricity suppliers in Kansas, Missouri, Iowa, Nebraska and Minnesota. The Company is a member of the MOKAN Power Pool, which is a contractual arrangement among eleven utilities in western Missouri and Kansas which interchange electric energy, share reserve generating capacity, and provide emergency and standby electricity services to each other.

The Company owns approximately 1,700 miles of transmission lines and approximately 8,900 miles of overhead distribution lines, and approximately 2,800 miles of underground distribution lines. The Company has all franchises necessary to sell electricity within the territories from which substantially all of its gross operating revenue is derived.

General

The Company's principal plants and properties, insofar as they constitute real estate, are owned in fee; certain other facilities are located on premises held under leases, permits or easements; and its electric transmission and distribution systems are for the most part located over or under highways, streets, other public places or property owned by others for which permits, grants, easements or licenses (deemed satisfactory but without examination of underlying land titles) have been obtained.

Substantially all of the fixed property and franchises of the Company, which consists principally of electric generating stations, electric transmission and distribution lines and systems, and buildings (subject to exceptions and reservations) are subject to a General Mortgage Indenture and Deed of Trust dated as of December 1, 1986. The last series of mortgage bonds under the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946 (1946 Mortgage) secured the City of LaCygne pollution control bonds (Pollution Bonds) which were refinanced in the first quarter of 1994--see "Subsequent Financing Events" on page 6. Upon the redemption of the Pollution Bonds on March 1, 1994, the 1946 mortgage was discharged.

ITEM 3. LEGAL PROCEEDINGS

Inter-City Beverage Co., Inc. et. al vs. Kansas City Power & Light Company

On August 13, 1993, a lawsuit was filed by nine customers in the Circuit Court of Jackson County, Missouri against the Company. The suit alleged the misapplication of certain of the Company's electric rate tariffs resulting in overcharges to industrial and commercial customers which have been provided service under those tariffs and requested certification as a class action. On December 3, 1993, the Court postponed ruling on motion to certify as a class action, and dismissed the matter for lack of subject matter jurisdiction. The plaintiff appealed to the Missouri Court of Appeals, Western District. The Company has not yet determined the amount of the alleged overcharges. The Company believes it will be able to successfully defend this action.

See "Environmental Matters - Waste Disposal" on page 3 and "Notes to Consolidated Financial Statements - Tax Matters" on page 31 of this report.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information:

(1) Principal Market:

Common Stock of the Company is listed on the New York Stock Exchange and the Chicago Stock Exchange.

(2) Stock Price Information:

Quarter	Common Stock Price Range		1992	
	1993 High	Low	High	Low
First	\$25-1/8	\$22	\$23-3/4	\$19-7/8
Second	25-1/4	23-1/2	22-1/2	20-5/8
Third	26-1/4	24-3/8	24-1/2	21-7/8
Fourth	25	21-3/4	23-1/4	21-3/4

Holdings:

At December 31, 1993, the Company's Common Stock was held by 31,267 shareholders of record.

Dividends:

Common Stock dividends were declared as follows:

Quarter	1994	1993	1992
First	\$0.37	\$0.36	\$0.35
Second		0.36	0.36
Third		0.37	0.36
Fourth		0.37	0.36

The Company's Restated Articles of Consolidation contains certain restrictions on the payment of dividends on the Company's Common Stock.

ITEM 6. SELECTED FINANCIAL DATA

	1993	Year Ended December 31				1989
		1992	1991	1990	1989	
(Thousands)						
Operating revenues	\$ 857,450	\$ 802,668	\$ 825,101	\$ 815,570	\$ 790,216	
Net income	\$ 105,772	\$ 86,334	\$ 103,893	\$ 102,732	\$ 108,618	
Earnings per common share	\$ 1.66	\$ 1.35	\$ 1.58	\$ 1.56	\$ 1.65	
Total assets at year-end	\$ 2,755,068	\$ 2,646,923	\$ 2,615,039	\$ 2,598,859	\$ 2,620,826	
Total redeemable preferred stock and long-term debt (including current maturities)	\$ 869,908	\$ 816,625	\$ 824,756	\$ 852,645	\$ 921,050	
Cash dividends per common share	\$ 1.46	\$ 1.43	\$ 1.37	\$ 1.31	\$ 1.25	
Ratio of earnings to fixed charges	3.80	3.12	3.22	2.96	2.92	

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

KILOWATT (KWH) SALES AND OPERATING REVENUES

Sales and revenue data:

	Increase (Decrease) From Prior Year			
	1993		1992	
	KWH	Revenues (Millions)	KWH	Revenues (Millions)
Retail sales:				
Residential	13 %	\$ 30	(12)%	\$ (33)
Commercial	3 %	9	(2)%	(4)
Industrial	3 %	3	6 %	3
Other	1 %	-	1 %	-
Total retail	6 %	42	(4)%	(34)
Sales for resale:				
Bulk power sales	27 %	13	51 %	12
Other	5 %	-	(6)%	-
Total operating revenues		\$ 55		\$ (22)

Although 1993 temperatures have been milder than normal, residential and commercial sales reflect closer to normal temperatures during 1993 compared to the abnormally mild weather of 1992 and warmer than normal weather of 1991. Based on the Company's records of cooling degree days above 65 degrees Fahrenheit, the summer of 1992 was the coolest since 1950. The weather conditions were the primary cause for the variances in residential and commercial sales although both 1993 and 1992 also reflect load growth. Industrial kwh sales continued to increase over prior years and reflect increased large customer usage in the steel, auto manufacturing, grain processing and plastic container production sectors.

Bulk power sales reflect an increase in the number of sales commitments, the Company's high unit and fuel availability, and the requirements of other electric systems.

Changes in total revenue per kwh are due to changes in the mix of kwh sales among customer classifications and the effect on certain classifications of declining price per kwh as kwh usage increases. Less than 1% of the Company's revenues are affected by an automatic fuel adjustment provision.

Tariffs have not changed materially since 1988. Effective January 1, 1994, Missouri jurisdictional retail rates were reduced 2.66%, or approximately \$12.5 million annually, primarily to reflect the end of the Missouri Public Service Commission (MPSC) rate phase-in amortization. This agreement with the MPSC and public counsel also includes a provision whereby none of the parties can file for a general increase or decrease in Missouri retail electric rates prior to January 1, 1996. Approximately two-thirds of total retail sales are from Missouri customers.

The level of future kwh sales will depend upon weather conditions, customer conservation efforts, competing fuel sources and the overall economy of the Company's service territory. Sales to industrial customers, such as steel and auto manufacturers, are also affected by the national economy. The level of bulk power sales in the future will depend upon the availability of generating units, fuel costs, requirements of other electric systems and the Company's system requirements.

Also, issues facing the electric utility industry such as transmission access, demand-side management programs, increased competition and retention of large industrial customers could affect sales. Alternative sources of electricity, such as cogeneration, could affect the retention of, and future sales to large industrial customers.

COMPETITION

The National Energy Policy Act of 1992 gave the Federal Energy Regulatory Commission (FERC) the authority to require electric utilities to provide wholesale transmission line access (wholesale wheeling) to independent power producers and other utilities. Amendments to the Public Utility Holding Company Act simplified the organization of exempt wholesale generators, who engage exclusively in generating electricity for wholesale markets. Although the Act prohibits FERC from ordering retail wheeling (allowing retail customers to select a different power producer and use the transmission facilities of the host utility to deliver the energy), the Act itself does not prevent the state commissions from doing so. The state commissions however, may be preempted by other provisions of the Federal Power Act. If retail wheeling were allowed, utilities with large industrial customers could face intense competition and potentially lose a major customer which could place an unfair, costly burden on the remaining customer base or shareholders.

The Company continues to evaluate the effects of competition on its operations and position itself for a more competitive marketplace. It has been participating in wholesale wheeling voluntarily and has tariffs in place to accommodate these activities. The Company has a diverse customer mix with less than 18% of total sales derived from industrial customers as compared to a utility average of approximately 35%. The Company's industrial rates are competitively priced compared to the regional average and its rate structure allows some flexibility in setting

rates. In addition, Company sponsored programs help customers manage their electricity consumption, and control their costs.

FUEL, PURCHASED POWER, OTHER OPERATION AND MAINTENANCE EXPENSES

Wolf Creek completed its sixth scheduled refueling outage during 1993 and returned on-line after 73 days. The Company began accruing for this outage in January 1992 (see Note 1 to the Consolidated Financial Statements for a discussion of the 1992 change in accounting principle). The prior refueling outage began in 1991, before the Company started accruing for these costs, and extended into January 1992. Because these costs, as well as a forced outage in 1992, had not been accrued, all expenses associated with these outages were expensed as incurred. As a result, 1992 expenses associated with Wolf Creek outages (including amounts accrued beginning in January 1992) exceeded amounts expensed in 1993 by \$5.6 million (\$.06 per share) and 1992 expenses were less than 1991 expenses by \$4.6 million (\$.05 per share). The next refueling outage is scheduled to begin in September 1994.

Combined fuel and purchased power expenses for 1993 increased over 1992 and 1991 reflecting additional sales. Partially offsetting these increases, fuel prices and freight rates have gradually decreased since 1991.

Other operation expenses increased during 1993 and 1992 reflecting increased generating plant production expenses and higher levels of administrative and general expenses mostly due to increased wages and employee benefits, and the 1993 accrual of postretirement benefits (see Note 2 to the Consolidated Financial Statements).

The Company continues to place emphasis on cost control. Processes are being reviewed and changed to provide increased efficiencies and improved operations.

INCOME TAXES

The change in income tax expense is mostly due to the changes in income subject to tax, but 1993 also reflects an increase of approximately \$2 million in federal income tax expense because federal income tax rates increased.

GENERAL TAXES

Components of general taxes (in thousands):

	1993	1992	1991
Property taxes	\$ 45,545	\$ 44,300	\$ 38,803
Gross receipts taxes	40,659	39,232	41,223
Other general taxes	9,455	8,929	8,499
Total general taxes	\$ 95,659	\$ 92,461	\$ 88,525

Increases in property taxes since 1991 are primarily due to the Kansas school finance legislation. The Company estimates the effects of this legislation will increase future property taxes over 1993 levels by approximately \$1 million.

The majority of Missouri customers are billed gross receipts tax based on billed revenues.

OTHER INCOME AND DEDUCTIONS

Miscellaneous and Income Taxes - 1992 reflects gains from the sale of property and other contract settlements.

INTEREST CHARGES

Declines in long-term interest expense since 1991 reflect lower interest rates on variable rate debt and the retirement, repayment or refinancing of debt. The average interest rate paid on long-term debt including current maturities declined to 6.0% in 1993 compared to 6.6% in 1992 and 7.5% in 1991.

Declines in short-term interest expense reflect the decreasing interest rates since 1991 and a lower level of short-term debt outstanding during 1993. The average daily outstanding balance of short-term debt decreased to \$16 million in 1993 from \$60 million in 1992 and \$50 million in 1991.

PREFERRED STOCK DIVIDEND REQUIREMENTS

The 1992 decrease in the preferred stock dividend requirements compared to 1991 reflects the refinancing of higher rate preferred stock with variable rate preferred stock.

EARNINGS PER SHARE (EPS)

EPS for 1993 increased \$0.31 over 1992 and EPS for 1992 decreased \$0.23 from 1991.

The effects of weather increased 1993 EPS by approximately \$0.25 over 1992 and decreased 1992 EPS by approximately \$0.46 from 1991. Temperatures in 1993 were milder than normal, but closer to normal compared to the extremely mild weather in 1992 and warmer than normal weather of 1991. Based on a statistical relationship between sales and the differences in actual and normal temperatures for the year, the Company estimates the effects of abnormal weather for the last three years were as follows:

	1993	1992	1991
Estimated effects of abnormal weather on EPS	\$ (0.10)	\$ (0.35)	\$ 0.11

In addition to the effects of abnormal weather on EPS, 1993 expenses associated with Wolf Creek outages (including outage accruals which began in January 1992) decreased from 1992 resulting in an increase in EPS of \$0.06. These same 1992 expenses decreased from 1991 causing an increase in 1992 EPS of \$0.05.

EPS for 1993 and 1992 reflect efforts of the Company to control costs despite increases in production expenses and general and administrative expenses. Also, since 1991, the Company has refinanced a significant portion of its long-term debt and preferred stock to take advantage of lower rates. EPS for 1992 also reflect gains from the sales of property and other contract settlements.

PROJECTED CONSTRUCTION EXPENDITURES

Construction expenditures, excluding AFDC, were \$129.2 million in 1993 and are projected for the next five years as follows:

	Construction Expenditures					
	1994	1995	1996	1997	1998	Total
	(millions)					
Generating facilities	\$ 52.8	\$ 74.3	\$ 67.4	\$ 114.1	\$ 148.3	\$456.9
Nuclear fuel	19.3	20.7	8.1	21.0	25.7	94.8
Transmission facilities	11.1	10.6	8.5	8.7	8.8	47.7
Distribution and general facilities	70.4	53.7	52.9	52.9	54.5	284.4
Total	\$ 153.6	\$ 159.3	\$ 136.9	\$ 196.7	\$ 237.3	\$883.8

The Company's resource plan includes four new 146 megawatt (mw) gas-fired combustion turbines scheduled to be completed from 1998 through 2000. In addition, the plan envisions a new 705 mw (250 mw, Company's share) coal-fired generating unit scheduled to begin construction in 1997 and be completed by 2002. The projected construction expenditures include \$200.2 million of forecasted costs for these projects during the next five years. The Company's resource plan is subject to periodic review and modification. The next integrated resource plan will be submitted to the MPSC in July 1994.

WOLF CREEK

Wolf Creek is one of the Company's principal generating facilities representing approximately 17% of the Company's accredited generating capacity and 26% of the Company's annual kwh generation during the last three years, and has the lowest fuel cost of any of its generating facilities. The plant operated at 80%, 85% and 59% of capacity for 1993, 1992 and 1991, respectively. Wolf Creek's assets and operating expenses represent approximately 50% and 20% of the Company's total assets and operating expenses, respectively. Currently no major equipment replacements are anticipated and the Company estimates the cost of nuclear fuel per million BTU, after the next refueling in the fall of 1994, will increase from approximately 35% to 40% of the cost of coal. Based on contract prices and projected future spot market prices for nuclear fuel and coal, it is anticipated that by 1996 the cost of nuclear fuel will increase in relation to coal to be about one-half the cost of coal.

An extended shut-down of the unit could have a substantial adverse effect on the Company's business, financial condition and results of operations. Higher replacement power and other costs would be incurred as a result. Although not expected, an abnormal shut-down of the plant could be caused by adverse incidents at the plant or by actions of the Nuclear Regulatory Commission reacting to safety concerns at the plant or other similar nuclear facilities. If a long-term shut-down occurred, the state regulatory commissions could consider reducing rates by excluding Wolf Creek investment from rate base.

Ownership and operation of a nuclear generating unit exposes the Company to potential retroactive assessments and property losses in excess of insurance coverage. These risks are more fully discussed in Note 4 to the Consolidated Financial Statements-Commitments and Contingencies-Nuclear Liability and Insurance.

ENVIRONMENTAL MATTERS

The Company's policy is to act in an environmentally responsible manner and utilize the latest technological processes possible to avoid and treat contamination. The Company continually conducts environmental audits designed to assure compliance with governmental regulations and detect contamination. However, these regulations are constantly evolving; governmental bodies may impose additional or more rigid environmental regulations which could require substantial changes to the Company's operations or facilities.

See Note 4 to the Consolidated Financial Statements-Commitments and Contingencies-Environmental Matters-for discussion of costs of compliance with environmental laws and regulations and a potential liability (which the Company believes is not material to its financial condition or results of operations) for cleanup costs under the Federal Superfund law.

Clean Air Act Amendments of 1990 contain two programs significantly affecting the utility industry. Based on the results of current studies, the Company estimates total capital expenditures needed to comply with existing and proposed acid rain program regulations will be \$4.1 million for the installation of continuous emission monitoring equipment. The Company has spent \$2.9 million as of December 31, 1993 and has included the remaining \$1.2 million in the five year projected construction expenditures. Future acid rain program regulations may require the Company to make further capital expenditures, but it is not possible to estimate those expenditures, if any. The other utility-related program calls for a study of certain air toxic substances. Based on the outcome of this study, regulation of air toxic substances, including mercury, could be required. The Company cannot, at this time, predict the likelihood of any such regulations or compliance costs.

CAPITAL REQUIREMENTS AND LIQUIDITY

On January 3, 1994, Moody's Investors Service upgraded the credit rating of the Company's bonds due to an improved financial profile and low-cost operations. The Company's long-term debt was upgraded as follows: secured pollution control bonds to A1 from A2; general mortgage bonds-medium-term notes to A1 from A3; unsecured pollution control bonds to A2 from Baa1; and, preferred stock to a2 from a3. In addition, in 1993 Standard & Poor's Corporation and Duff & Phelps upgraded the Company's General Mortgage Bonds as follows: Standard & Poor's from A- to A; and Duff & Phelps from A to A+. Improved ratings will make it less costly for the Company to raise funds when needed and will contribute to the Company's continued efforts to meet the challenge of increased competition in the utility industry.

The Company's capital structure at December 31, 1993 (including current maturities of long-term debt less special deposit for retirement of debt) consisted of 49.1% common stock equity, 5.1% preferred stock and 45.8% long-term debt. The Company's goal is to maintain a capital structure in which the percentages of common stock equity and long-term debt are approximately equal.

The Company currently estimates that it will be able to meet a significant portion of the projected construction expenditures with internally-generated funds. It is anticipated that funds for maturing debt through 1998 totaling \$274.5 million will be provided from operations, refinancings or short-term debt. As of December 31, 1993, the Company had \$78 million of registered but unissued Medium-Term Notes and \$149 million of unused bank lines of credit. Uncertainties which affect the

degree to which these capital requirements will be met with funds provided from operations include such items as the effect of inflation on operating expenses, the level of kwh sales, regulatory actions, compliance with future environmental regulations, availability of the Company's generating units and the level of bulk power sales with other utilities.

The Company currently uses an accelerated depreciation method for tax purposes. The accelerated depreciation on the Wolf Creek plant has reduced the Company's tax payments during the last three years by approximately \$30 million per year. Accelerated depreciation on Wolf Creek ends in 1994.

See Note 4 to the Consolidated Financial Statements-Commitments and Contingencies-Tax Matters-for discussion of the Company's federal income tax returns for the years 1985 through 1990 which are presently under audit by the Internal Revenue Service.

In order to take advantage of the potential benefits inherent in a larger energy system, the Company might incur additional debt and/or issue additional equity to finance system growth or new growth opportunities, through business combinations or other investments such as an exempt wholesale generator.

SUBSEQUENT EVENT

The Company announced an early retirement program in March 1994. See Note 11 to the Consolidated Financial Statements for discussion of the expense and savings of the program.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

KANSAS CITY POWER & LIGHT COMPANY
CONSOLIDATED BALANCE SHEETS

	December 31 1993	December 31 1992
(Thousands)		
ASSETS		
UTILITY PLANT, at original cost (Notes 1, 8 and 9)		
Electric	\$ 3,240,384	\$ 3,133,059
Less-Accumulated depreciation	1,019,714	948,266
Net utility plant in service	2,220,670	2,184,793
Construction work in progress	67,766	65,965
Nuclear fuel, net of amortization of \$76,722,000 and \$78,735,000	29,862	34,210
Total	2,318,298	2,284,968
REGULATORY ASSET - DEFERRED WOLF CREEK COSTS (Note 1)	29,118	39,484
REGULATORY ASSET - RECOVERABLE TAXES (Note 1)	122,000	94,000
INVESTMENTS AND NONUTILITY PROPERTY	28,454	27,570
CURRENT ASSETS		
Cash	1,539	128
Special deposit for the retirement of debt (Note 8)	60,118	-
Receivables		
Customer accounts receivable (Note 5)	29,320	14,372
Other receivables	19,340	24,043
Fuel inventories, at average cost	14,550	20,625
Materials and supplies, at average cost	44,157	45,263
Prepayments	4,686	4,209
Deferred income taxes (Note 3)	3,648	5,553
Total	177,358	114,193
DEFERRED CHARGES		
Regulatory Assets (Note 1)		
Settlement of fuel contracts	20,634	25,751
KCC Wolf Creek carrying costs	9,575	12,311
MPSC rate phase-in plan	-	7,072
Other	31,899	26,798
Other deferred charges	17,732	14,776
Total	79,840	86,708
Total	\$ 2,755,068	\$ 2,646,923

LIABILITIES

CAPITALIZATION (Notes 7 and 8)(See Statements)

Common stock-authorized 150,000,000 shares without par value-61,908,726 shares issued and outstanding-stated value	\$ 449,697	\$ 449,697
Retained earnings	418,201	405,985
Capital stock premium and expense	(1,747)	(1,758)
Common stock equity	866,151	853,924
Cumulative preferred stock	89,000	89,000
Cumulative preferred stock (redeemable)	1,756	1,916
Long-term debt	733,664	788,209
Total	1,690,571	1,733,049

CURRENT LIABILITIES

Notes payable to banks (Note 6)	4,000	-
Commercial paper (Note 6)	25,000	33,000
Current maturities of long-term debt	134,488	26,500
Accounts payable	59,421	77,162
Dividends declared	423	423
Accrued taxes	27,800	19,864
Accrued interest	15,575	12,949
Accrued payroll and vacations	20,127	18,044
Accrued refueling outage costs (Note 1)	7,262	12,600
Other	8,531	7,631
Total	302,627	208,173

DEFERRED CREDITS AND OTHER LIABILITIES

Deferred income taxes (Note 3)	627,819	576,222
Deferred investment tax credits	87,185	91,530
Other	46,866	37,949
Total	761,870	705,701

COMMITMENTS AND CONTINGENCIES (Note 4)

Total	\$ 2,755,068	\$ 2,646,923
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The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF INCOME

Year Ended December 31

	1993	1992 (Thousands)	1991
ELECTRIC OPERATING REVENUES	\$ 857,450	\$ 802,668	\$ 825,101
OPERATING EXPENSES			
Operation			
Fuel	130,117	130,032	132,100
Purchased power	31,403	21,868	22,226
Other	184,633	175,937	162,548
Maintenance	78,550	81,163	80,922
Depreciation	91,110	88,768	86,795
Taxes			
Income (Note 3)	69,502	51,691	61,871
General	95,659	92,461	88,525
Amortization of			
MPSC rate phase-in plan (Note 1)	7,072	7,072	7,072
Deferred Wolf Creek costs (Note 1)	13,102	13,102	11,734
Total	701,148	662,094	653,793
OPERATING INCOME	156,302	140,574	171,308
OTHER INCOME AND DEDUCTIONS			
Allowance for equity funds used during construction	2,846	1,073	539
Deferred Wolf Creek carrying costs (Note 1)	-	-	791
Miscellaneous	(2,486)	2,595	(3,829)
Income taxes (Note 3)	1,549	(505)	1,593
Total	1,909	3,163	(906)
INCOME BEFORE INTEREST CHARGES	158,211	143,737	170,402
INTEREST CHARGES			
Long-term debt	50,118	54,266	63,057
Short-term notes	750	2,749	3,299
Miscellaneous	4,113	2,173	2,665
Allowance for borrowed funds used during construction	(2,542)	(1,785)	(2,512)
Total	52,439	57,403	66,509
YEARLY RESULTS			
Net income	105,772	86,334	103,893
Preferred stock dividend requirements	3,153	3,062	6,023
Earnings available for common stock	\$ 102,619	\$ 83,272	\$ 97,870
Average number of common shares outstanding	61,908,726	61,908,726	61,908,726
Earnings per common share	\$ 1.66	\$ 1.35	\$ 1.58
Cash dividends per common share	\$ 1.46	\$ 1.43	\$ 1.37

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS

Year Ended December 31

	1993	1992 (Thousands)	1991
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 105,772	\$ 86,334	\$ 103,893
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	91,110	88,768	86,795
Amortization of:			
Nuclear Fuel	8,705	9,583	6,199
Deferred Wolf Creek costs	13,102	13,102	10,943
MPSC rate phase-in plan	7,072	7,072	7,072
Other	8,234	5,921	5,147
Deferred income taxes (net)	25,502	23,979	28,064
Investment tax credit (net)	(4,345)	(4,521)	(7,009)
Allowance for equity funds used during construction	(2,846)	(1,073)	(539)
Cash flows affected by changes in:			
Receivables	(10,245)	2,848	13,636
Fuel inventories	6,075	(859)	137
Materials and supplies	1,106	654	(98)
Accounts payable	(17,741)	4,838	2,861
Accrued taxes	7,936	2,404	2,995
Accrued interest	2,626	488	(1,244)
Wolf Creek refueling outage accrual	(5,338)	12,600	-
Settlement of fuel contracts	-	-	(8,578)
Other operating activities	6,419	1,599	2,175
Net cash provided by operating activities	243,144	253,737	252,449
CASH FLOWS FROM INVESTING ACTIVITIES			
Construction expenditures	(129,199)	(129,559)	(122,447)
Allowance for borrowed funds used during construction	(2,542)	(1,785)	(2,512)
Other investing activities	306	(4,589)	(5,404)
Net cash used in investing activities	(131,435)	(135,933)	(130,363)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of long-term debt	324,846	134,750	135,250
Issuance of preferred stock	-	50,000	-
Retirement of long-term debt	(271,480)	(143,230)	(163,215)
Retirement of preferred stock	-	(13,000)	(40,000)
Special deposit for the retirement of debt	(60,118)	-	-
Premium on reacquired stock and long-term debt	(4,077)	(2,321)	(5,516)
Increase (decrease) in short-term borrowings	(4,000)	(53,000)	42,500
Dividends declared	(93,556)	(91,277)	(90,232)
Other financing activities	(1,913)	274	(879)
Net cash used in financing activities	(110,298)	(117,804)	(122,092)
Net increase (decrease) in cash	1,411	-	(6)
Cash at beginning of year	128	128	134
Cash at end of year	\$ 1,539	\$ 128	\$ 128
Cash paid during the year for:			
Interest (net of amount capitalized)	\$ 47,361	\$ 55,223	\$ 66,290
Income taxes	\$ 40,141	\$ 32,995	\$ 37,117

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CUMULATIVE PREFERRED STOCK AND LONG-TERM DEBT

	December 31	
	1993	1992
	(in thousands)	
CUMMULATIVE PREFERRED STOCK (Note 7)		
\$100 Par Value		
3.80% - 100,000 shares issued	\$ 10,000	\$ 10,000
4.50% - 100,000 shares issued	10,000	10,000
4.20% - 70,000 shares issued	7,000	7,000
4.35% - 120,000 shares issued	12,000	12,000
No Par Value		
3.04%* - 500,000 shares issued	50,000	50,000
Total	\$ 89,000	\$ 89,000
CUMMULATIVE PREFERRED STOCK (REDEEMABLE) (Note 7)		
\$100 Par Value		
4.00% - 17,557 and 19,157 shares issued	\$ 1,756	\$ 1,916
LONG-TERM DEBT (EXCLUDING CURRENT MATURITIES) (Note 8)		
First Mortgage Bonds		
7.33% weighted average rate, amounts redeemed in 1993	\$ -	\$ 244,980
9.46% series due 1994	-	60,000
5 7/8% series due 2007	21,940	21,940
Secured by General Mortgage Bonds		
Medium-Term Notes due 1994-2008, 6.78% and 7.29% weighted average rate at December 31	378,750	220,000
3.34%* Environmental Improvement Revenue Refunding Bonds due 2012-23	122,846	31,000
Guaranty of Pollution Control Bonds		
5 3/4% series due 2003	13,742	13,980
3.15%* due 2015-17	196,500	196,500
Unamortized Premium and Discount (net)	(114)	(191)
Total	\$ 733,664	\$ 788,209

* Variable rate securities, weighted average rate as of December 31, 1993

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

	Year ended December 31		
	1993	1992	1991
	(in thousands)		
Beginning Balance	\$ 405,985	\$ 411,161	\$ 399,294
Net Income	105,772	86,334	103,893
	511,757	497,495	503,187
Premium on Reacquired Preferred Stock	-	233	1,794
Dividends Declared:			
Preferred Stock, at required rates	3,169	2,747	5,417
Common Stock - \$1.46, \$1.43 and \$1.37 per share	90,387	88,530	84,815
Ending Balance (Note 7)	\$ 418,201	\$ 405,985	\$ 411,161

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

System of Accounts

The accounting records of Kansas City Power & Light Company (the Company) are maintained in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC) and generally accepted accounting principles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and KLT Inc., a wholly-owned subsidiary. Intercompany balances and transactions have been eliminated. Because KLT Inc. is not an electric utility, its revenues and expenses have been classified under Other Income and Deductions in the Consolidated Statements of Income.

KLT Inc. was formed in 1992 as a holding company for various non-regulated business opportunities. The Company's equity investment in KLT Inc. was \$4.5 million and \$1.5 million as of December 31, 1993 and 1992, respectively.

Utility Plant

Utility plant is stated at historical costs of construction. These costs include taxes, payroll-related costs, including pensions and other fringe benefits, and an allowance for funds used during construction.

Allowance for Funds Used During Construction (AFDC)

AFDC represents the cost of borrowed funds and a return on equity funds used to finance construction projects and is capitalized as a cost of construction work in progress. The portion attributable to borrowed funds is reflected as a reduction of interest charges while the portion applicable to equity funds is shown as a non-cash item of other income. When a construction project is placed in service, the related AFDC, as well as other construction costs, is used to establish rates under regulatory rate practices. The rates used to compute gross AFDC are compounded semi-annually and averaged 8.3% for 1993, 6.6% for 1992 and 7.7% for 1991.

Depreciation and Maintenance

Depreciation is computed on a straight-line basis for jurisdictional property based on depreciation rates approved by the Missouri Public Service Commission (MPSC) and the Kansas Corporation Commission (KCC). Annual composite rates were approximately 2.9% during the last three years.

Costs of improvements to units of property are charged to the utility plant accounts. Property units retired or otherwise disposed are charged to accumulated depreciation, along with removal costs, net of salvage. Repairs of property and replacements of items determined not to be units of property are expensed as incurred.

Nuclear Plant Decommissioning Costs

In 1986, the MPSC estimated the cost of decommissioning the Wolf Creek Generating Station (Wolf Creek) to be \$103 million in 1985 dollars. In 1989, the KCC estimated the cost to be \$206 million in 1988 dollars. Then, in 1992, the MPSC increased its estimate to \$347 million in 1990 dollars. In accordance with MPSC and KCC requirements, the jurisdictional portions of the Company's 47% share of these costs (current level of \$3.2 million, annually) are being recovered and charged to other operation expenses over the life of the plant and placed in an external trust fund to be used only for the physical decommissioning of Wolf Creek (immediate dismantlement method) which is not expected to occur prior to 2025. A study was filed with the KCC and MPSC during 1993 estimating the projected decommissioning costs to be \$370 million in 1993 dollars. Based on this study, it is expected that the MPSC will determine that no increase in the current level of the Missouri jurisdictional funding and expenses will be necessary. A hearing before the KCC is expected during 1994.

The investment in the trust fund, including reinvested earnings, was \$14.3 million and \$10.6 million at December 31, 1993 and 1992, respectively. These amounts are reflected in the Consolidated Balance Sheets under Investments and Nonutility Property with the related liabilities for decommissioning included in Deferred Credits and Other Liabilities-Other.

Nuclear Fuel

The cost of nuclear fuel is amortized to fuel expense based on the quantity of heat produced for the generation of electricity. Under the Nuclear Waste Policy Act of 1982, the Department of Energy (DOE) is responsible for the permanent disposal of spent nuclear fuel. Currently, the Company pays a quarterly fee of one mill per kilowatt-hour of net nuclear generation to the DOE for future permanent disposal services. Disposal costs are charged to fuel expense and recovered through rates. These disposal services may not be available prior to 2013 although an interim facility may be available earlier. Wolf Creek has an on-site, temporary storage facility for spent nuclear fuel which, under current regulatory guidelines, can provide storage space until approximately 2006. The Company believes additional temporary storage space can be constructed or obtained, as necessary.

Regulatory Assets

Certain costs are recorded as regulatory assets when a rate order allows the deferral and inclusion of the amortization in rates or when it is probable, based on historical regulatory precedent, that future rates established by the regulators will recover amortization of the costs. If subsequent recovery is not permitted, any unamortized balance, net of tax, would reduce net income.

Deferred Wolf Creek Costs

Orders from the KCC and MPSC provided for continued construction accounting for ratemaking purposes after the September 3, 1985 commercial in-service date of Wolf Creek through September 30, 1985 and May 5, 1986, respectively. The deferral of certain other carrying costs was also authorized. These deferrals are being amortized and recovered in rates over an approximate 10 year period ending in 1996.

Recoverable Taxes

See Income Taxes below for discussion.

Settlement Of Fuel Contracts

The Company has deferred the cost incurred to terminate certain coal purchase contracts. These costs are being amortized through the year 2002.

KCC Wolf Creek Carrying Costs

As ordered by the KCC, the Company deferred certain carrying costs through June 1991. The recovery and corresponding amortization of this deferral over six years began in July 1991.

MPSC Rate Phase-In Plan

MPSC's 1986 Wolf Creek rate phase-in plan resulted in the deferral of a cash recovery of a portion of the cost of equity and the carrying costs on the deferral. Recovery of these deferrals was completed December 31, 1993.

Effective January 1, 1994, the MPSC approved a 2.66% rate reduction (approximately \$12.5 million annually) for the Company's Missouri retail customers primarily to reflect the completion of this amortization. The reduction will be spread evenly over the Missouri retail customer classes. This agreement with the MPSC and public counsel also includes a provision whereby none of the parties can file for a general increase or decrease in Missouri retail electric rates prior to January 1, 1996. Approximately two-thirds of total retail sales are from Missouri customers.

Other

Other regulatory assets include premium on redeemed debt, deferred flood costs, the deferral of costs to decommission and decontaminate federal uranium enrichment facilities and other costs. These deferrals are amortized over various periods extending to 2017.

Fair Value of Financial Instruments

The stated values of the Company's financial instruments as of December 31, 1993 and 1992 approximated the fair market values based on quoted market prices for the securities or for similar types of securities. If quotes were not available, the Company's incremental borrowing rate for similar types of debt was used.

Revenue Recognition

The Company utilizes cycle billing and accrues an estimated amount for unbilled revenue at the end of each reporting period.

Income Taxes

The Company has adopted Financial Accounting Standards Board (FASB) Statement No. 109, Accounting for Income Taxes. This statement is not materially different from FASB Statement No. 96, which the Company adopted in 1988. As a result, the Company establishes deferred tax liabilities and assets, as appropriate, for all temporary differences caused when the tax basis of an asset or liability differs from that reported in the financial statements. These deferred tax assets and liabilities must be determined using the tax rates scheduled by the tax law to be in effect when the temporary differences reverse.

The Regulatory Asset-Recoverable Taxes primarily reflects the future revenue requirements necessary to recover the tax benefits of existing temporary differences flowed through to ratepayers in the past. During 1993, the net change in the Regulatory Asset-Recoverable Taxes and Deferred income taxes included a \$40 million increase resulting from the changes in the federal and Missouri state income tax laws effective January 1, 1993 and January 1, 1994, respectively. Although the Company has calculated its deferred tax assets and liabilities pursuant to FASB 109, operating income taxes were recorded in accordance with ratemaking principles. However, if FASB 109 were reflected in the Consolidated Statements of Income, net income would remain the same.

Investment tax credits have been deferred when utilized and are amortized to income over the remaining service lives of the related properties.

Accrued Refueling Outage Costs - Change In Accounting Principle

Effective January 1992, the Company changed its method of accounting for incremental costs to be incurred during scheduled Wolf Creek refueling outages. Instead of expensing these costs as incurred, the Company is accruing forecasted outage costs evenly (monthly) over the unit's operating cycle which normally lasts approximately 18 months. The Company believes this method of accounting produces a more meaningful presentation of yearly results of operations than the prior method. Since the accrual began in January 1992, when Wolf Creek returned on-line from a refueling outage, there was no cumulative effect for the change in accounting principle. The pro forma effects for the year ended December 31, 1991 were not material but would have increased net income by \$3.2 million (\$0.05 per share). Because there was no refueling outage in 1992, the effect of this change decreased 1992 net income by \$7.8 million (\$0.13 per share).

Environmental Matters

The Company's policy is to accrue environmental and cleanup costs when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. The Company believes it has appropriately recorded all such costs related to environmental matters.

Reclassifications

Certain reclassifications have been made to previously issued financial statements in order to conform with the 1993 presentation.

2. PENSION PLANS AND OTHER EMPLOYEE BENEFITS

Pension Plans

The Company has defined benefit pension plans for all its regular employees, including officers, providing for benefits upon retirement, normally at age 65. In accordance with the Employee Retirement Income Security Act of 1974 (ERISA), the Company has satisfied at least its minimum funding requirements. Benefits under these plans reflect the employee's compensation, years of service and age at retirement.

Provisions for pensions are determined under the rules prescribed by FASB Statement No. 87-Employers' Accounting for Pensions. The following is the funded status of the plans:

	December 31	
	1993	1992
	(thousands)	
Accumulated Benefit Obligation:		
Vested	\$ 209,193	\$173,021
Non-vested	6,296	6,126
Total	\$ 215,489	\$179,147
Determination of Plan Assets		
less Obligations:		
Fair value of plan assets	\$ 315,179	\$272,001
Projected benefit obligation	279,525	241,902
Difference	\$ 35,654	\$ 30,099
Reconciliation of Difference:		
Contributions to trusts		
Prepaid	\$ 10,677	\$ 8,759
Accrued liability	(6,304)	(4,881)
Unamortized transition amount	16,756	18,828
Unrecognized net gain	18,197	11,494
Unrecognized prior service cost	(3,672)	(4,101)
Difference	\$ 35,654	\$ 30,099

Plan assets are invested in insurance contracts, corporate bonds, equity securities, U.S. Government securities, notes, mortgages and short-term investments.

Based on discount rates of 7% in 1993 and 8% in 1992; and increases in future salary levels of 4% to 5% in 1993 and 5% to 6% in 1992.

Components of provisions for pensions (in thousands):

	1993	1992	1991
Service cost	\$ 8,671	\$ 7,301	\$ 6,162
Interest cost on projected benefit obligation	19,521	17,903	16,617
Actual return on plan assets	(49,875)	(24,541)	(45,542)
Other	27,715	3,653	27,026
Net periodic pension cost	\$ 6,032	\$ 4,316	\$ 4,263

Long-term rates of return on plan assets of 8% to 8.5% were used.

Postretirement Benefits Other Than Pensions

In addition to providing pension benefits, the Company provides certain postretirement health care and life insurance benefits for substantially all retired employees.

During the first quarter of 1993 the Company adopted FASB Statement No. 106-Employers' Accounting for Postretirement Benefits Other Than Pensions. FASB 106 requires companies to accrue the cost of postretirement health care and life insurance benefits during an employee's active years of service. Previously, the Company expensed these costs as paid (pay-as-you-go). The Company currently recovers these costs through rates on a pay-as-you-go basis. As of December 31, 1992, the transition obligation under FASB 106 was approximately \$23.5 million, with amortization over 20 years beginning in 1993.

Net periodic postretirement benefit cost (in thousands):	1993
Service cost for benefits earned during the year	\$ 616
Interest cost on the accumulated postretirement benefit obligation (APBO)	1,893
Amortization of unrecognized transition obligation	1,175
Net periodic postretirement cost	3,684
Less: Pay-as-you-go costs	1,109
Net increase in cost due to FASB 106	\$ 2,575

The increase in the annual health care cost trend rate for 1994 is assumed to be 13%, decreasing gradually over a seven year period to its ultimate level of 6%. The Company's health care plan requires retirees to participate in the cost when premiums exceed a certain amount. Because of this provision, an increase in the assumed health care cost trend rate by 1% in each year would only increase the APBO as of December 31, 1993 by approximately \$786,000 and the aggregate service and interest cost components of net periodic postretirement benefit cost for 1993 by approximately \$98,000.

Reconciliation of the status of postretirement benefit plans to amounts recorded in the Consolidated Balance Sheets (in thousands):

	December 31 1993
APBO:	
Retirees	\$ (10,672)
Fully eligible active plan participants	(6,405)
Other active plan participants	(10,501)
Unfunded APBO	(27,578)
Unrecognized loss	2,689
Unrecognized transition obligation	22,314
Accrued postretirement benefit obligation (included in Deferred Credits and Other Liabilities - Other)	\$ (2,575)

The weighted average discount rate of 7% and future salary level increases of 4% were used to determine the APBO.

Long-Term Incentive Plan

In 1992, the shareholders adopted a 10 year, Long-Term Incentive Plan for officers and key employees. Awards issued under the Plan cannot exceed three million common stock shares. During 1993 and 1992, awards to purchase 63,125 and 86,000 shares of common stock were granted with exercise prices of \$23.875 and \$21.625 per share, respectively. During 1993, awards to purchase 4,000 shares were canceled. Under granted stock options, recipients are entitled to receive accumulated dividends as though reinvested if the options are exercised and if the market price at the time of exercise equals or exceeds the grant price. Under the assumption that all shares will eventually be exercised, the Company expensed \$0.1 million and \$0.2 million in 1993 and 1992, respectively, representing accumulated dividends and the change in stock price since the date of grant. At December 31, 1993, options for 145,125 shares of common stock were outstanding and options for 41,000 shares were exercisable.

3. INCOME TAXES

Income tax expense as shown in the Consolidated Statements of Income consists of the following:

	1993	1992 (thousands)	1991
Current income taxes:			
Federal	\$ 41,207	\$ 28,081	\$33,667
State	5,589	4,657	5,556
Total	46,796	32,738	39,223
Deferred income taxes, net:			
Federal	22,274	20,488	23,696
State	3,228	3,491	4,368
Total	25,502	23,979	28,064
Investment tax credit, net	(4,345)	(4,521)	(7,009)
Total income tax expense	\$ 67,953	\$ 52,196	\$60,278

The following table shows a reconciliation of the federal statutory income tax rate to the effective rate reflected in the Consolidated Statements of Income. See Note 1 to the Consolidated Financial Statements for a discussion of the Company's income tax policies.

	1993	1992	1991
Federal statutory income tax rate	35.0 %	34.0 %	34.0 %
Differences between book and tax depreciation not normalized	1.3	1.7	1.8
Amortization of investment tax credit	(2.5)	(3.3)	(4.3)
State income taxes	3.3	3.9	4.0
Other	2.0	1.4	1.2
Effective income tax rate	39.1 %	37.7 %	36.7 %

The significant temporary differences resulting in deferred tax assets and liabilities in the Consolidated Balance Sheets are as follows:

	December 31	
	1993	1992
	(thousands)	
Depreciation differences	\$ 476,637	\$ 449,701
Recoverable taxes	122,000	94,000
Other	25,534	26,968
Net deferred income tax liability	\$ 624,171	\$ 570,669

The net deferred income tax liability consists of the following:

	December 31	
	1993	1992
	(thousands)	
Gross deferred income tax assets	\$ (63,187)	\$ (64,746)
Gross deferred income tax liabilities	687,358	635,415
Net deferred income tax liability	\$ 624,171	\$ 570,669

4. COMMITMENTS AND CONTINGENCIES

Nuclear Liability and Insurance

The Price-Anderson Act currently limits the public liability of nuclear reactor owners to \$9.4 billion, including attorney costs, for claims that could arise from a nuclear incident. Accordingly, the Company and the other owners of Wolf Creek have liability insurance coverage of this amount which consists of the maximum available commercial insurance of \$200 million and Secondary Financial Protection (SFP). SFP coverage is funded by a mandatory program of deferred premiums assessed against all owners of licensed reactors for any nuclear incident anywhere in the country. The maximum assessment per reactor is \$79.3 million (\$37.3 million, Company's share) per incident. The owners of Wolf Creek are jointly and severally liable for these charges, payable at a rate not to exceed \$10 million (\$4.7 million, Company's share) per incident per year.

The owners of Wolf Creek also have \$2.8 billion of property damage, decontamination and decommissioning insurance for loss resulting from damage to the Wolf Creek facilities. Nuclear insurance pools provide \$1.3 billion of coverage, while Nuclear Electric Insurance Limited (NEIL) provides \$1.5 billion. In the event of an accident, insurance proceeds must first be used for reactor stabilization and site decontamination. The remaining proceeds from the \$2.8 billion insurance coverage (\$1.3 billion, Company's share), if any, can be used for property damage up to \$1.1 billion (Company's share), premature decommissioning costs up to \$117.5 million (Company's share) in excess of funds previously collected for decommissioning (as discussed in Note 1) with the remaining \$47 million (Company's share) available for either property damage or premature decommissioning costs.

The owners of Wolf Creek have also procured extra expense insurance from NEIL. Under both the NEIL property and extra expense policies, the Company is subject to retroactive assessment if NEIL losses, with respect to each policy year, exceed the accumulated funds available to the insurer under that policy. The estimated maximum retroactive assessments for the Company's share under the policies total approximately \$9 million per year.

In the event of a catastrophic loss at Wolf Creek, the amount of insurance available may not be adequate to cover property damages and extra expenses incurred. Uninsured losses, to the extent not recovered through rates, would be assumed by the Company and could have a material, adverse effect on the Company's financial condition and results of operations.

Nuclear Fuel Commitments

At December 31, 1993, Wolf Creek's nuclear fuel commitments (Company's share) were approximately \$16 million for uranium concentrates through 1997, \$126 million for enrichment through 2014 and \$46 million for fabrication through 2014.

Tax Matters

The Company's federal income tax returns for the years 1985 through 1990 are presently under examination by the Internal Revenue Service (IRS). The IRS has issued Revenue Agent's Reports for the years 1985 through 1990. The Reports include proposed adjustments that would reduce the Company's Wolf Creek investment tax credit (ITC) by 25% or approximately \$20 million and tax depreciation by 23% or approximately \$190 million. These amounts include the continuing effect of the adjustments through December 31, 1993. These adjustments, principally, are based upon the IRS's contention that (i) certain start-up and testing costs considered by the Company to be costs of the plant, should be treated as licensing costs, which do not qualify for ITC or accelerated depreciation, and (ii) certain cooling and generating facilities should not qualify for ITC or accelerated depreciation.

If the IRS were to prevail on all of these proposed adjustments, the Company would be obligated to make cash payments, calculated through December 31, 1993, of approximately \$95 million for additional federal and state income taxes and \$50 million for corresponding interest. After offsets for deferred income taxes, these payments would reduce net income by approximately \$30 million.

The Company has filed a protest with the appeals division of the IRS. Based upon their interpretation of applicable tax principles and the tax treatment of similar costs and facilities with respect to other plants, it is the opinion of management and outside tax counsel that the IRS's proposed Wolf Creek adjustments are substantially overstated. Management believes any additional taxes, together with interest, resulting from the final resolution of these matters will not be material to the Company's financial condition or results of operations.

Environmental Matters

The Company's operations must comply with federal, state and local environmental laws and regulations. The generation of electricity utilizes, produces and requires disposal of certain products and by-products including polychlorinated biphenyl (PCB's), asbestos and other potentially hazardous materials. The Federal Comprehensive Environmental Response, Compensation and Liability Act, the "Superfund" law, imposes strict joint and several liability for those who generate, transport or

deposit hazardous waste as well as the current property owner and predecessor owner at the time of contamination. The Company continually conducts environmental audits designed to detect contamination and assure compliance with governmental regulations. However, compliance programs necessary to meet future environmental laws and regulations governing water and air quality, including carbon dioxide emissions, hazardous waste handling and disposal, toxic substances and the effects of electromagnetic fields, could require substantial changes to the Company's operations or facilities.

Interstate Power Company of Dubuque, Iowa (Interstate) filed a lawsuit in 1989 against the Company in the Federal District Court for the District of Iowa seeking from the Company contribution and indemnity under the Superfund law for cleanup costs of hazardous substances at the site of a demolished gas manufacturing plant in Mason City, Iowa. The plant was operated by the Company for very brief periods of time before the plant was demolished in 1952. The site and all other properties the Company owned in Iowa were sold to Interstate in 1957. The Company estimates that the cleanup could cost up to \$10 million. The Company's estimate is based upon an evaluation of available information from on-going site investigation and assessment activities, including the costs of such activities.

In August 1993, the Company, along with other parties to the lawsuit, received a letter from the Environmental Protection Agency (EPA) notifying each such party that it was considered a potentially responsible party for cleanup costs at the site. The EPA has also proposed to list the site on the National Priorities List.

The Company believes it has several valid defenses to this action including the fact that the 1957 sales documents included clauses which require Interstate to indemnify the Company from and against all claims and damages arising after the sale. However, the Court in an October 1993 order rejected this position, ruling that the indemnity clauses were not sufficiently broad to indemnify for environmental cleanup. This order will be final for appeal after a trial to allocate the cleanup costs among the parties, which is expected in 1994. Even if unsuccessful on the liability issue, the Company does not believe its allocated share of the cleanup costs will be material to its financial condition or results of operations.

Other Agreements

Under long-term contractual arrangements, the Company's share of purchased coal totaled approximately \$17 million in 1993 and \$21 million in 1992 and 1991. The Company's share of purchase commitments in 1993 dollars under the remaining terms of the coal contracts is approximately \$110 million. The Company also purchases coal on the spot market.

The Company has a transmission line lease with another utility whereby, with FERC approval, the rental payments can be increased by the lessor, after which the Company is entitled to cancel the lease if able to secure an alternative transmission path. Total commitments under this lease are \$1.9 million per year and approximately \$60 million over the remaining life of the lease if the lease is not canceled.

Under other leases, the Company incurred rental expense during the last three years of approximately \$15 million to \$19 million per year. Rental commitments under these leases for railroad cars, computer equipment, buildings, a transmission line and similar items are approximately \$114 million over the remaining life of the leases with payments during each of the next five years ranging from a high of \$17 million in 1994 to \$8 million in 1998. Capital leases are not material to the Company and are included in the amounts discussed above.

The Company has contracted to purchase capacity from other utilities through 2009. The obligations are as follows (cost in millions):

	Cost	Megawatts (mw)
1994	\$12.4	470
1995	15.1	450
1996	19.4	500
1997	22.8	500
1998	22.8	500
1999	22.8	500
2000	16.6	150
Thereafter - annual amounts through 2009	10.4	150

5. SALE OF ACCOUNTS RECEIVABLE

In 1989, the Company entered into an agreement with a financial institution to sell, with limited recourse, an undivided interest in designated accounts receivable. Accounts receivable sold under this agreement totaled \$60 million as of December 31, 1993, 1992 and 1991. Costs associated with the sale of customer accounts receivable of \$2.2 million, \$2.6 million and \$3.5 million for 1993, 1992 and 1991, respectively, are included in Other Income and Deductions-Miscellaneous.

6. SHORT-TERM BORROWINGS

The Company borrows short-term funds from banks and through the sale of commercial paper as needed. Under minimal fee arrangements, the Company has confirmed bank lines of credit totaling \$153 million, of which \$149 million remains available at December 31, 1993.

7. COMMON STOCK EQUITY, PREFERRED STOCK AND REDEEMABLE PREFERRED STOCK

Retained earnings at December 31, 1993 included \$16 million which was not available for cash dividends on common stock under the provisions of the Indenture of Mortgage securing First Mortgage Bonds.

During 1991, the Company reacquired and retired the 800,000 shares of the \$2.33 and 800,000 shares of the \$2.20 Cumulative No Par Preferred Stock with a combined stated value of \$40 million. This transaction included a \$4.7 million premium of which \$2.9 million was charged against capital stock premium and expense and \$1.8 million was charged against retained earnings.

In February 1992, the Company redeemed and retired the 130,000 shares of the 7.72% Cumulative Preferred Stock with a par value of \$13 million. The cost of redeeming this stock included a premium of \$0.3 million which was charged against retained earnings.

In April 1992, the Company issued \$50 million, Cumulative No Par Preferred Stock, Auction Series A, stated value of \$100 per share. The \$0.9 million in costs associated with this issue were charged to capital stock premium and expense.

The issued cumulative preferred stock of \$91 million may be redeemed at the option of the Company at prices which, in the aggregate, total \$91 million.

Scheduled mandatory sinking fund requirements for the outstanding redeemable 4% Cumulative Preferred Stock are \$160,000 per year.

At December 31, 1993, the Company had authorized 407,557 shares of Cumulative Preferred Stock at a par value of \$100 per share, 1,572,000 shares of Cumulative No Par Preferred Stock and 11,000,000 shares of Preference Stock without par value.

If any dividends on its preferred stock are not declared and paid when scheduled, the Company could not declare or pay dividends on its common stock or acquire any shares in consideration thereof. If the amount of any such unpaid dividends equals four or more full quarterly dividends, the holders of preferred stock, voting as a single class, could elect representatives to the Company's Board of Directors.

On January 3, 1994, the Company registered 2,000,000 shares of its common stock with the Securities and Exchange Commission for a Dividend Reinvestment and Stock Purchase Plan (the Plan). Under the Plan, common shareholders and employees and directors of the Company and its subsidiaries have the opportunity to purchase shares of the Company's common stock by reinvesting dividends and/or making optional cash payments. Rather than issuing new shares, the Company intends to purchase the shares for the Plan on the open market.

8. LONG-TERM DEBT

First Mortgage Bonds

The Company cannot issue additional First Mortgage Bonds authorized by the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946, as supplemented, as long as any of the General Mortgage Bonds (discussed below) are outstanding. Substantially all of the Company's utility plant is pledged under the terms of the Indenture.

At December 31, 1993, \$60 million was held as a special deposit and used on January 5, 1994 to redeem the maturing \$60 million First Mortgage Bonds.

General Mortgage Bonds

The Company is authorized to issue General Mortgage Bonds under the General Mortgage Indenture and Deed of Trust dated December 1, 1986, as supplemented. The amount of additional bonds which may be issued is subject to certain restrictive provisions of the General Mortgage Indenture. The General Mortgage Indenture constitutes a mortgage lien on substantially all of the Company's utility plant and is junior to the lien of the First Mortgage. Upon retirement and/or maturity of the remaining outstanding First Mortgage Bonds, the General Mortgage Bonds will become first mortgage bonds.

The Company pledged General Mortgage Bonds in the amount of \$531 million to secure the outstanding \$453 million (including \$74 million classified as current maturities of long-term debt) and the unissued \$78 million of Medium-Term Notes as of December 31, 1993.

Scheduled Maturities

The amount of long-term debt maturing in each of the next five years is as follows (in millions): 1994 - \$134.5; 1995 - \$30.0; 1996 - \$47.3; 1997 - \$0.8; and 1998 - \$61.9.

9. JOINTLY-OWNED ELECTRIC UTILITY PLANTS

The Company has joint ownership agreements with other utilities providing undivided interests in utility plants at December 31, 1993 as follows (in millions of dollars):

	Wolf Creek Unit	La Cygne Units	Iatan Unit
Company's share	47%	50%	70%
Utility plant in service	\$ 1,326	\$ 282	\$ 247
Estimated accumulated depreciation (Production plant only)	\$ 270	\$ 150	\$ 111
Nuclear fuel, net	\$ 30	-	-
Company's accredited capacity-mw	532	678	469

Each participant must provide its own financing. The Company's share of direct expenses is included in the corresponding operating expenses in the Consolidated Statements of Income.

10. QUARTERLY OPERATING RESULTS (UNAUDITED)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	(thousands)			
1993				
Operating revenues	\$ 191,380	\$ 208,323	\$ 256,919	\$ 200,828
Operating income	\$ 29,624	\$ 38,878	\$ 57,865	\$ 29,935
Net income	\$ 15,800	\$ 25,731	\$ 44,920	\$ 19,321
Earnings per common share	\$ 0.24	\$ 0.40	\$ 0.72	\$ 0.30
1992				
Operating revenues	\$ 180,022	\$ 196,505	\$ 229,425	\$ 196,716
Operating income	\$ 23,795	\$ 34,351	\$ 50,638	\$ 31,790
Net income	\$ 8,321	\$ 21,335	\$ 38,044	\$ 18,634
Earnings per common share	\$ 0.12	\$ 0.33	\$ 0.60	\$ 0.29

The business of the Company is subject to seasonal fluctuations with peak periods occurring during summer months. See Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion of items affecting quarterly results.

11. EVENT (UNAUDITED) SUBSEQUENT TO THE DATE OF THE INDEPENDENT ACCOUNTANTS' REPORT

In March 1994, the Company offered a voluntary early retirement program to 411 eligible management and union employees. Eligible employees have until May 31, 1994 to decide whether or not to participate in the program. As of March 24, 1994, approximately 35% of eligible employees had elected to participate.

The Company's last early retirement program in 1986 had a participation rate of approximately 60% of those eligible. While there is no way of knowing how many or which employees will elect to participate in the program, assuming the 1986 participation rate and using averages, the cost of the program to the Company would be approximately \$22 million and would be recorded in the first half of 1994 as an expense when the employee elects to participate in the program. The Company estimates that these program costs would be offset by savings of payroll and benefit costs of approximately \$6 million in 1994 and an average of \$11 million per year for the period 1995 through 1998. These savings assume no replacements for retiring employees.

The expense and savings of the program as discussed above are estimates and could change significantly because of changes from the assumed participation rate, mix of employees accepting the offer, and extent of replacements of retiring employees.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareholders and Board of Directors
Kansas City Power & Light Company:

We have audited the consolidated financial statements and the financial statement schedules of Kansas City Power & Light Company listed in the index on page 39 of this Form 10-K. These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Kansas City Power & Light Company as of December 31, 1993 and 1992, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles. In addition, in our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly, in all material respects, the information required to be included therein.

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for incremental nuclear refueling outage costs in 1992.

/s/Coopers & Lybrand
COOPERS & LYBRAND

Kansas City, Missouri
January 28, 1994

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Directors

The information concerning directors required by Item 401 of Regulation S-K has been furnished by the Company in its definitive proxy statement dated March 11, 1994, filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, and is incorporated herein by reference.

Executive Officers

See Part I, page 7, entitled "Officers of the Registrant."

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 402 of Regulation S-K has been furnished by the Company in its definitive proxy statement dated March 11, 1994, filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities and Exchange Act of 1934, and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by Item 403 of Regulation S-K has been furnished by the Company in its definitive proxy statement dated March 11, 1994, filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities and Exchange Act of 1934, and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND
REPORTS ON FORM 8-K

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No.

Financial Statements

a.

b.

c. Consolidated Statements of Cash Flows for the years ended December 31, 1993, 1992 and 1991

e.

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a.

b.

Schedule VI - Accumulated Depreciation and Amortization
of Property, Plant and Equipment - For the years ended
December 31, 1993, 1992 and 1991

Compensatory Plans or Arrangements

a.	Long-Term Incentive Plan	41
b.	Indemnification Agreement entered into by the Company with each of its officers and directors	41
c.	Executive Incentive Compensation Plan	41
d.	Severance Agreement entered into by the Company with certain of its executive officers	41
e.	Supplemental Executive Retirement and Deferred Compensation Plan	41

Exhibits Required by Item 601 of Regulation S-K.

Exhibit Number	Description of Document
3-a	*Restated Articles of Consolidation of the Company dated as of May 5, 1992 Exhibit 4 to Registration Statement, Registration No. 33-54196).
3-b	*By-laws of the Company, as amended and in effect on December 31, 1993 (Exhibit 3-b to Form 10-K for the year ended 1993).
4-a	*General Mortgage and Deed of Trust dated as of December 1, 1986, between the Company and United Missouri Bank N.A. (formerly United Missouri Bank of Kansas City, N.A.), Trustee (Exhibit 4-bb to Form 10-K for the year ended December 31, 1986).
4-b	*Third Supplemental Indenture dated as of April 1, 1991, to Indenture dated as of December 1, 1986 (Exhibit 4-aq to Registration Statement, Registration No. 33-42187).
4-c	*Fourth Supplemental Indenture dated as of February 15, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-y to Form 10-K for year ended December 31, 1991).
4-d	*Fifth Supplemental Indenture dated as of September 15, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-a to Form 10-Q dated September 30, 1992).
4-e	*Sixth Supplemental Indenture dated as of November 1, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-z to Registration Statement, Registration No. 33-54196).
4-f	*Seventh Supplemental Indenture dated as of October 1, 1993, to Indenture dated as of December 1, 1986 (Exhibit 4-a to Form 10-Q dated September 30, 1993).
4-g	*Eighth Supplemental Indenture dated as of December 1, 1993, to Indenture dated as of December 1, 1986 (Exhibit 4 to Registration Statement, Registration No. 33-51799).
4-h	Ninth Supplemental Indenture dated as of February 1, 1994, to Indenture dated as of December 1, 1986.
4-i	*Resolution of Board of Directors Establishing 3.80% Cumulative Preferred Stock (Exhibit 2-R to Registration Statement, Registration No. 2-40239).
4-j	*Resolution of Board of Directors Establishing Stock (Exhibit 2-S to Registration Statement, Registration No. 2-40239).
4-k	*Resolution of Board of Directors Establishing 4.50% Cumulative Preferred Stock (Exhibit 2-T to Registration Statement, Registration No. 2-40239).
4-l	*Resolution of Board of Directors Establishing 4.20% Cumulative Preferred Stock (Exhibit 2-U to Registration Statement, Registration No. 2-40239).
4-m	*Resolution of Board of Directors Establishing 4.35% Cumulative Preferred Stock (Exhibit 2-V to Registration Statement, Registration No. 2-40239).
4-n	*Certificate of Designation of Board of Directors Establishing the \$50,000,000 Cumulative No Par Preferred Stock, Auction Series A (Exhibit 4-a to Form 10-Q dated March 31, 1992).
4-o	*Indenture for Medium-Term Note Program dated as of April 1, 1991, between the Company and The Bank of New York (Exhibit 4-bb to Registration Statement, Registration No. 33-42187).
4-p	*Indenture for Medium-Term Note Program dated as of February 15, 1992, between the Company and The Bank of New York (Exhibit 4-bb to Registration Statement, Registration No. 33-45736).
4-q	*Indenture for Medium-Term Note Program dated as of November 15, 1992, between the Company and The Bank of New York (Exhibit 4-aa to Registration Statement, Registration No. 33-54196).
10-a	*Copy of Wolf Creek Generating Station Ownership Agreement between Kansas City Power & Light Company, Kansas Gas and Electric Company and Kansas Electric Power Cooperative, Inc. (Exhibit 10-d to Form 10-K for the year ended December 31, 1981).
10-b	*Copy of Receivables Purchase Agreement dated as of September 27, 1989, between the Company, Commercial Industrial Trade-Receivables Investment Company and Citicorp North America, Inc., (Exhibit 10-p to Form 10-K for year ended December 31, 1989).
10-c	*Copy of Amendment to Receivables Purchase Agreement dated as of August 8, 1991, between the Company, Commercial Industrial Trade-Receivables Investment Company and Citicorp North America, Inc. (Exhibit 10-m to Form 10-K for year ended December 31, 1991).
10-d	*Long-Term Incentive Plan (Exhibit 28 to Registration Statement, Registration No. 33-42187).
10-e	*Copy of Indemnification Agreement entered into by the Company with each of its officers and directors (Exhibit 10-0 to Form 10-K for year ended December 31, 1986).
10-f	*Copy of Executive Incentive Compensation Plan (Exhibit 10-g to form 10-K for year ended December 31, 1986).
10-g	*Copy of Severance Agreement entered into by the Company with certain of its executive officers (Exhibit 10 to Form 10-Q dated June 30, 1993).
10-h	Copy of Supplemental Executive Retirement and Deferred Compensation Plan.
10-i	Copy of \$50 million Letter of Credit and reimbursement agreement dated as of August 19, 1993, with The Toronto-Dominion Bank.
10-j	Copy of \$56 million Letter of Credit and Reimbursement Agreement dated as of August 19, 1993, with Societe Generale, Chicago Branch.
10-k	Copy of \$50 million Letter of Credit and Reimbursement Agreement dated as of August 19, 1993, with The Toronto-Dominion Bank.
10-l	Copy of \$40 million Letter of Credit and Reimbursement Agreement dated as of August 19, 1993, with Deutsche Bank AG, acting through its New York and Cayman Islands Branches.
12	Computation of Ratios of Earnings to Fixed Charges.
23-a	Consent of Counsel.
23-b	Consent of Independent Public Accountants--Coopers & Lybrand.
24	Powers of Attorney.

* Filed with the Securities and Exchange Commission as exhibits to prior registration statements (except as otherwise noted) and are incorporated herein by reference and made a part hereof. The exhibit number and file number of the documents so filed, and incorporated herein by reference, are stated in parenthesis in the description of such exhibit.

Copies of any of the exhibits filed with the Securities and Exchange Commission in connection with this document may be obtained from the Company upon written request.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE V - PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1993

Column A	Column B	Column C	Column D	Column E	Column F
Classification	Balance at Beginning of Period	Additions at Cost	Retire- ments (Thousands)	Other Changes - Add(Deduct)	Balance at End of Period
Electric Utility Plant					
Plant in service					
Steam production	\$ 727,202	\$ 44,287	\$ 7,727	\$ -	\$ 763,762
Nuclear production	1,304,921	11,369	587	-	1,315,703
Other production	41,949	527	-	-	42,476
Transmission	179,507	9,645	1,026	276	188,402
Distribution	810,053	43,963	6,884	(153)	846,979
General	62,750	17,044	2,604	24	77,214
Intangibles	365	-	-	-	365
Property under capital lease	3,144	-	-	(319)	2,825
Plant held for future use	3,168	2	-	(512)	2,658
Construction work in progress	65,965	1,663	-	138	67,766
Total	3,199,024	128,500	18,828	(546)	3,308,150
Nuclear Fuel	112,945	6,087	12,448	-	106,584
Total Utility Plant	3,311,969	134,587	31,276	(546)	3,414,734
Nonutility Property	4,573	-	795	227	4,005
Total	\$3,316,542	\$ 134,587	\$ 32,071	\$ (319)	\$3,418,739

Additions are reflected net of electric utility plant completions.
Includes allowance for funds used during construction.
Amount reflects the reduction in capital lease obligations.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE V - PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1992

Column A	Column B	Column C	Column D	Column E	Column F
Classification	Balance at Beginning of Period	Additions at Cost	Retire- ments (Thousands)	Other Changes - Add(Deduct)	Balance at End of Period
Electric Utility Plant					
Plant in service					
Steam production	\$ 717,689	\$ 16,387	\$ 6,869	\$ (5)	\$ 727,202
Nuclear production	1,304,071	7,567	6,717	-	1,304,921
Other production	41,475	680	209	3	41,949
Transmission	170,332	10,702	1,725	198	179,507
Distribution	774,897	46,816	11,704	44	810,053
General	47,505	22,644	5,173	(2,226)	62,750
Intangibles	95	270	-	-	365
Property under capital lease	-	3,151	-	(7)	3,144
Plant held for future use	4,216	(803)	-	(245)	3,168
Plant acquisition adjustment	53	-	-	(53)	-
Construction work in progress	57,706	8,259	-	-	65,965
Total	3,118,039	115,673	32,397	(2,291)	3,199,024
Nuclear Fuel	96,212	16,744	-	(11)	112,945
Total Utility Plant	3,214,251	132,417	32,397	(2,302)	3,311,969
Nonutility Property	1,529	879	68	2,233	4,573
Total	\$3,215,780	\$ 133,296	\$ 32,465	\$ (69)	\$3,316,542

Additions are reflected net of electric utility plant completions.

Includes allowance for funds used during construction.

In 1992, amortized to other income and deductions - miscellaneous.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE V - PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1991

Column A Classification	Column B Balance at Beginning of Period	Column C Additions at Cost	Column D Retire- ments (Thousands)	Column E Other Changes - Add(Deduct)	Column F Balance at End of Period
Electric Utility Plant					
Plant in service					
Steam production	\$ 691,506	\$ 27,106	\$ 923	\$ -	\$ 717,689
Nuclear production	1,310,118	8,469	14,514	(2)	1,304,071
Other production	41,427	48	-	-	41,475
Transmission	162,202	8,754	708	84	170,332
Distribution	730,553	51,975	7,303	(328)	774,897
General	45,226	4,303	2,021	(3)	47,505
Intangibles	95	-	-	-	95
Plant held for future use	3,921	50	-	245	4,216
Plant acquisition adjustment	97	-	-	(44)	53
Construction work in progress	52,759	4,947	-	-	57,706
Total	3,037,904	105,652	25,469	(48)	3,118,039
Nuclear Fuel	84,037	19,846	7,671	-	96,212
Total Utility Plant	3,121,941	125,498	33,140	(48)	3,214,251
Nonutility Property	1,508	17	-	4	1,529
Total	\$3,123,449	\$ 125,515	\$ 33,140	\$ (44)	\$3,215,780

Additions are reflected net of electric utility plant completions.
Includes allowance for funds used during construction.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE VI - ACCUMULATED DEPRECIATION AND
AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1993

Column A	Column B	Column C		Column D		Column E	Column F
Description	Balance at Beginning of Period	Additions		Retirements		Other Changes Add (Deduct)	Balance at End of Period
Description	Balance at Beginning of Period	Charged to Depreciation	Charged to Other Accounts	Property Retired (Thousands)	Removal Cost and Salvage (Net)	Other Changes Add (Deduct)	Balance at End of Period
Electric Utility Plant							
Steam production	\$ 350,011	\$ 25,720	\$ 810	\$ 7,727	\$ 1,153	\$ -	\$ 367,661
Nuclear production	236,949	34,139	-	587	202	-	270,299
Other production	28,342	1,723	-	-	29	-	30,036
Transmission	72,561	4,080	-	1,026	174	-	75,441
Distribution	247,032	23,374	-	6,884	(508)	-	264,030
General	13,399	1,880	106	2,604	(36)	-	12,817
Retirement work in progress	(28)	-	-	-	542	-	(570)
Total	948,266	90,916	916	18,828	1,556	-	1,019,714
Nuclear Fuel	78,735	-	8,705	12,448	-	1,730	76,722
Total	1,027,001	90,916	9,621	31,276	1,556	1,730	1,096,436
Nonutility Property	424	22	-	-	-	-	446
Total	\$1,027,425	\$ 90,938	\$ 9,621	\$ 31,276	\$ 1,556	\$ 1,730	\$1,096,882

See Note 1 of Notes to Consolidated Financial Statements for a description of the depreciation policy.

Depreciation on the Consolidated Statements of Income includes an additional \$194,000 which represents amortization of certain costs recorded in Regulatory Assets - Other.

Amount reflects an adjustment to nuclear fuel carrying value.

The \$76,722,000 of accumulated provision for amortization of nuclear fuel has been netted against nuclear fuel on the Consolidated Balance Sheets. Nuclear fuel amortization is charged to fuel expense.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE VI - ACCUMULATED DEPRECIATION AND
AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1992

Column A	Column B	Column C		Column D		Column E	Column F
Description	Balance at Beginning of Period	Additions		Retirements		Other Changes Add (Deduct)	Balance at End of Period
Description	Balance at Beginning of Period	Charged to Depreciation	Charged to Other Accounts	Property Retired (Thousands)	Removal Cost and Salvage (Net)	Other Changes Add (Deduct)	Balance at End of Period
Electric Utility Plant							
Steam production	\$ 331,330	\$ 25,075	\$ 790	\$ 6,869	\$ 315	\$ -	\$ 350,011
Nuclear production	209,884	34,014	-	6,686	263	-	236,949
Other production	26,989	1,683	-	210	120	-	28,342
Transmission	71,298	3,875	-	1,725	887	-	72,561
Distribution	236,580	22,360	-	10,851	686	(371)	247,032
General	17,031	1,567	144	5,172	(161)	(332)	13,399
Retirement work in progress	(1,330)	-	-	-	(1,302)	-	(28)
Total	891,782	88,574	934	31,513	808	(703)	948,266
Nuclear Fuel	69,152	-	9,583	-	-	-	78,735
Total	960,934	88,574	10,517	31,513	808	(703)	1,027,001
Nonutility Property	87	14	-	10	-	333	424
Total	\$ 961,021	\$ 88,588	\$ 10,517	\$ 31,523	\$ 808	\$ (370)	\$1,027,425

See Note 1 of Notes to Consolidated Financial Statements for a description of the depreciation policy.

Depreciation on the Consolidated Statements of Income includes an additional \$194,000 which represents amortization of certain costs recorded in Regulatory Assets - Other.

The \$78,735,000 of accumulated provision for amortization of nuclear fuel which has been netted against nuclear fuel on the Consolidated Balance Sheets. Nuclear fuel amortization is charged to fuel expense.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE VI - ACCUMULATED DEPRECIATION AND
AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 1991

Column A	Column B	Column C		Column D		Column E	Column F
Description	Balance at Beginning of Period	Additions		Retirements		Other Changes Add (Deduct)	Balance at End of Period
Description	Balance at Beginning of Period	Charged to Depreciation	Charged to Other Accounts	Property Retired (Thousands)	Removal Cost and Salvage (Net)	Other Changes Add (Deduct)	Balance at End of Period
Electric Utility Plant							
Steam production	\$ 307,415	\$ 24,344	\$ 755	\$ 923	\$ 261	\$ -	\$ 331,330
Nuclear production	190,428	34,159	-	14,514	189	-	209,884
Other production	25,303	1,686	-	-	-	-	26,989
Transmission	68,385	3,676	-	708	55	-	71,298
Distribution	222,314	21,274	-	7,114	(201)	(95)	236,580
General	17,479	1,418	196	2,021	41	-	17,031
Retirement work in progress	(702)	-	-	-	628	-	(1,330)
Total	830,622	86,557	951	25,280	973	(95)	891,782
Nuclear Fuel	70,624	-	6,199	7,671	-	-	69,152
Total	901,246	86,557	7,150	32,951	973	(95)	960,934
Nonutility Property	87	-	-	-	-	-	87
Total	\$ 901,333	\$ 86,557	\$ 7,150	\$ 32,951	\$ 973	\$ (95)	\$ 961,021

See Note 1 of Notes to Consolidated Financial Statements for a description of the depreciation policy.

Depreciation on the Consolidated Statements of Income includes an additional \$238,000 which represents amortization of certain costs recorded in Regulatory Assets - Other (\$194,000) and amortization of a unit train acquisition adjustment recorded in Utility Plant (\$44,000).

The \$69,152,000 of accumulated provision for amortization of nuclear fuel which has been netted against nuclear fuel on the Consolidated Balance Sheets. Nuclear fuel amortization is charged to fuel expense.

KANSAS CITY POWER & LIGHT COMPANY
SCHEDULE IX - SHORT-TERM BORROWINGS

Column A Category of Aggregate Short-Term Borrowings	Column B Balance at End of Period	Column C Weighted Average Interest Rate	Column D Maximum Combined Amount Outstanding at any Month End	Column E Average Amount Outstanding During the Period	Column F Weighted Daily Average Interest Rate During the
December 31, 1993					
Bank loans	\$ 4,000,000	4.47%	\$ 6,000,000	\$ 964,384	5.15%
Commercial paper	25,000,000	3.96%	55,000,000	14,984,110	4.68%
Combined	\$ 29,000,000	4.03%	\$ 61,000,000	\$ 15,948,494	4.71%
December 31, 1992					
Bank loans	\$ -	-	\$ 36,500,000	\$ 18,594,000	5.43%
Commercial paper	33,000,000	4.30%	64,000,000	41,125,000	4.23%
Combined	\$ 33,000,000	4.30%	\$ 100,500,000	\$ 59,719,000	4.60%
December 31, 1991					
Bank loans	\$ 34,000,000	4.62%	\$ 34,000,000	\$ 13,444,000	7.61%
Commercial paper	52,000,000	5.13%	52,000,000	36,315,000	6.27%
Combined	\$ 86,000,000	4.93%	\$ 86,000,000	\$ 49,759,000	6.63%

Short-term borrowings normally mature in less than three months with an interest rate determined at the time of borrowing or on a daily basis.

The average is based on a daily average.

The weighted daily average interest rate during the year is determined by dividing interest expense, including commitment fees, by the average daily balance (Column E). Commitment fees of \$213,000, \$196,900 and \$175,500 were charged to interest expense for 1993, 1992 and 1991, respectively.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kansas City, and State of Missouri on the 25th day of March, 1994.

KANSAS CITY POWER & LIGHT COMPANY

By /s/Drue Jennings
(Drue Jennings)
Chairman of the Board, President and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/Drue Jennings (Drue Jennings)	Chairman of the Board and President (Principal Executive Officer))
	Senior Vice President-Finance)
/s/B. J. Beaudoin (B. J. Beaudoin)	(Principal Financial Officer))
/s/Neil Roadman (Neil Roadman)	Controller (Principal Accounting Officer))
William H. Clark*	Director)
Robert J. Dineen*	Director) March 25, 1994
Arthur J. Doyle*	Director)
W. Thomas Grant II*	Director)
George E. Nettels, Jr.*	Director)
George A. Russell*	Director)
Dr. Linda Hood Talbott*	Director)
Robert H. West*	Director)

*By /s/Drue Jennings
(Drue Jennings)
Attorney-in-fact

NINTH SUPPLEMENTAL INDENTURE

KANSAS CITY POWER & LIGHT COMPANY

UNITED MISSOURI BANK, N.A.

DATED AS OF FEBRUARY 1, 1994

CREATING A MORTGAGE BOND
SERIES 1994

SUPPLEMENTAL TO GENERAL MORTGAGE INDENTURE AND
DEED OF TRUST DATED AS OF DECEMBER 1, 1986

NINTH SUPPLEMENTAL INDENTURE, dated as of February 1, 1994, between KANSAS CITY POWER & LIGHT COMPANY, a Missouri corporation ("Company"), and UNITED MISSOURI BANK, N.A. (formerly United Missouri Bank of Kansas City, N.A.), as Trustee ("Trustee") under the Indenture hereinafter mentioned.

WHEREAS, all capitalized terms used in this Supplemental Indenture have the respective meanings set forth in the Indenture;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a General Mortgage Indenture and Deed of Trust ("Indenture"), dated as of December 1, 1986, to secure Mortgage Bonds issued by the Company pursuant to the Indenture, unlimited in aggregate principal amount except as therein otherwise provided.

WHEREAS, the Company has heretofore executed and delivered to the Trustee, a First Supplemental Indenture, dated as of December 1, 1986, creating a first series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee, a Second Supplemental Indenture, dated as of April 1, 1988, creating a second series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Third Supplemental Indenture, dated as of April 1, 1991, creating a third series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Fourth Supplemental Indenture, dated as of February 15, 1992, creating a fourth series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Fifth Supplemental Indenture, dated as of September 1, 1992, creating a fifth series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Sixth Supplemental Indenture, dated as of November 1, 1992, creating a sixth series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Seventh Supplemental Indenture, dated as of October 1, 1993, creating a seventh series of Mortgage Bonds;

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Eighth Supplemental Indenture, dated as of December 1, 1993, creating an eighth series of Mortgage Bonds;

WHEREAS, the Company desires in and by this Supplemental Indenture to create a ninth series of Mortgage Bonds to be issued under the Indenture, to designate such series, to set forth the maturity date or dates, interest rate or rates and the form and other terms of such Mortgage Bonds;

WHEREAS, all acts and things necessary to make this Supplemental Indenture, when duly executed and delivered, a valid, binding and legal instrument in accordance with its terms and for the purposes herein expressed, have been done and performed; and the execution and delivery of this Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises and in further consideration of the sum of One Dollar in lawful money of the United States of America paid to the Company by the Trustee at or before the execution and delivery of this Supplemental Indenture, the receipt whereof is hereby acknowledged, and of other good and valuable consideration, it is agreed by and between the Company and the Trustee as follows:

DESCRIPTION OF CERTAIN PROPERTY SUBJECT
TO THE LIEN OF THE INDENTURE

The Company hereby confirms unto the Trustee, and records the description of the property described in Exhibit A attached and expressly made a part hereof, which property is subject to the lien of the Indenture in all respects as if originally described herein.

ARTICLE I.

MORTGAGE BOND SERIES 1994

SECTION 1. (a) There is hereby created a ninth series of Mortgage Bonds to consist of one Mortgage Bond issued under and secured by the Indenture, to be designed as "Mortgage Bond Series 1994" of the Company ("Bond of the Ninth Series").

(b) The Bond of the Ninth Series shall be issued in the principal amount of \$35,922,500, but the principal amount of the Bond of the Ninth Series actually outstanding as of any particular time shall be equal to the principal amount of securities titled "City of LaCygne, Kansas Environmental Improvement Revenue Refunding Bonds (Kansas City Power & Light Company Project) Series 1994" ("Revenue Bonds") which at such particular time are outstanding under the Indenture of Trust dated as of February 1, 1994, ("Revenue Bond Indenture"), between the City of LaCygne, Kansas and The Bank of New York, as trustee ("Revenue Bond Trustee").

(c) The Bond of the Ninth Series shall be a registered Bond without coupons and shall be dated February 18, 1994. The Bond of the Ninth Series shall mature on the same date or dates as the Revenue Bonds, subject to prior redemption pursuant to Section 3.

(d) Interest will accrue on the unpaid portion of the principal of the Bond of the Ninth Series from the last date to which interest was paid, or if no interest has been paid from the date of the original issuance of the Bond of the Ninth Series until the entire principal amount of the Bond of Ninth Series is paid. The Bond of the Ninth Series shall bear interest at the rate or rates per annum born by the Revenue Bonds as provided for in Section 2.02 of the Revenue Bond Indenture and in the Revenue Bonds and interest shall be paid on the date or dates on which, and at the same place or places as, interest is payable on the Revenue Bonds.

(e) The payment or payments of principal of the Bond of the Ninth Series shall be equal to the principal amount of, and any premium on, the Revenue Bonds which is due and payable under the Revenue Bond Indenture and shall be payable on the date or dates on which, and at the same place or places as, the principal of, and any premium on such Revenue Bonds.

(f) The Mortgage Bond shall be subject to redemption at the same times and in the same amounts as the Revenue Bonds.

(g) The principal amount of and interest on the Bond of the Ninth Series shall be payable in lawful money of the United States of America.

SECTION 2. At such time or times as the Revenue Bond Trustee shall deliver a certificate signed by a Responsible Officer, as defined by the Revenue Bond Indenture stating that all or a portion of the principal amount of the Revenue Bonds have been redeemed or otherwise deemed to have been paid, the principal amount of the Bond of the Ninth Series shall be reduced by such specific principal amount, and such specific principal amount shall be deemed for all purposes of the Indenture, including Article IV and Article XI of the Indenture, to be Retired Bonds.

SECTION 3. If the Revenue Bonds, shall become immediately due and payable, pursuant to the provisions of the first paragraph of Section 8.02 of the Revenue Bond Indenture (by reason of the occurrence and continuance of an "Event of Default" under paragraph (a), (b) or (c) of Section 8.01 of the Revenue Bond Indenture), the Bond of the Ninth Series shall be subject to redemption in whole. The Trustee shall redeem the Bond of the Ninth Series upon receipt of a written notice (hereinafter referred to as the "Notice") from the Revenue Bond Trustee stating that the Revenue Bonds have become immediately due and payable. The Notice shall direct the Trustee to call the Bond of the Ninth Series for redemption. No notice of redemption of the Bond of the Ninth Series shall be required in connection with such redemption and the Notice shall also contain a waiver by the Revenue Bond Trustee, as holder of the Bond of the Ninth Series of any notice of redemption as may be required under Article IX of the Indenture. The Bond of the Ninth Series shall be redeemed in whole immediately upon the receipt by the Trustee of such Notice. The Trustee may conclusively presume the statements contained in the Notice to be correct. Any such redemption of the Bond of the Ninth Series shall be at a redemption price equal to the principal amount of the Bond of the Ninth Series together with accrued interest to the redemption date, and such amount shall become and be due and payable immediately. The Company hereby covenants that, if a Notice shall be delivered to the Trustee, the Company will deposit immediately with the Trustee, in accordance with Article IX of the Indenture, an amount in cash sufficient to redeem the Bond of the Ninth Series so called for redemption.

SECTION 4. The Bond of the Ninth Series is not transferable except to a successor Revenue Bond Trustee under the Revenue Bond Indenture.

SECTION 5. (a) The Bond of the Ninth Series shall be pledged by the Company with and delivered to the Revenue Bond Trustee to secure payment of the principal of, premium, if any, and interest on the Revenue Bonds for the benefit of the owners and beneficial owners from time to time of the Revenue Bonds.

(b) The obligation of the Company to make any payment of the principal of or any premium or interest on the Bond of the Ninth Series shall be fully or partially, as the case may be, paid, deemed to have been paid or otherwise satisfied and discharged to the extent that at the time any such payment shall be due, the then due principal of and any premium or interest on the Revenue Bonds shall have been fully or partially paid, deemed to have been paid or otherwise satisfied and discharged.

(c) The Trustee shall conclusively presume that the obligation of the Company to make payments of the principal of or any premium or interest on the Bond of the Ninth Series shall have been fully paid, deemed to have been paid or otherwise satisfied and discharged when due unless and until the Trustee shall have received written notice from the Revenue Bond Trustee, signed by a Responsible Officer (as defined in the Revenue Bond Indenture), stating that the payments of principal of and premium or interest on the Revenue Bonds specified in such notice were not fully paid, deemed to have been paid or otherwise satisfied and discharged when due and remain unpaid at the date of such notice.

SECTION 6. The form of the Bond of the Ninth Series shall be substantially as follows:

(FORM OF BOND OF THE NINTH SERIES)

KANSAS CITY POWER & LIGHT COMPANY

MORTGAGE BOND SERIES 1994

\$35,922,500

Bond Number R-1

Kansas City Power & Light Company, a Missouri corporation ("Company"), for value received, hereby promises to pay to The Bank of New York as Trustee under the Indenture dated as of February 1, 1994, between the City of LaCygne, Kansas, and such Trustee ("Revenue Bond Indenture"), or the successor Trustee under the Revenue Bond Indenture, the sum of \$35,922,500 or, if less, the aggregate unpaid principal amount of all City of LaCygne, Kansas Environmental Improvement Revenue Refunding Bonds (Kansas City Power & Light Company Project) Series 1994 ("Revenue Bonds") outstanding under the Revenue Bond Indenture. The payment of principal, premium, or interest on the Bond shall be equal to the principal amount of, any premium on, and interest due on the Revenue Bonds as set forth in the Revenue Indenture. The principal of and any premium or interest on this Bond of the Ninth Series are payable in lawful money of the United States of America.

THIS BOND OF THE NINTH SERIES IS NOT TRANSFERABLE EXCEPT TO A SUCCESSOR TRUSTEE UNDER THE REVENUE BOND INDENTURE.

The obligation of the Company to make any payment of the principal of or any premium or interest on this Bond of the Ninth Series shall be fully or partially, as the case may be, paid, deemed to have been paid or otherwise satisfied and discharged to the extent that at the time any such payment shall be due, the then due principal of and any premium or interest on the Revenue Bonds shall have been fully or partially paid, deemed to have been paid or otherwise satisfied and discharged.

This Bond of the Ninth Series is one, of the series hereinafter specified, of the bonds of the Company ("Bonds") known as its "Mortgage Bonds," issued and to be issued in one or more series under and secured by a General Mortgage Indenture and Deed of Trust dated as of December 1, 1986 ("Indenture"), duly executed by the Company to United Missouri Bank, N.A., (formerly United Missouri Bank of Kansas City, N.A.) Trustee ("Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the Bonds are, and are to be, issued and secured, and the rights of the owners of the Bonds and of the Trustee in respect of such security, and the prior liens to which the security for the Bonds are junior; capitalized terms used in this Bond of the Ninth Series have the respective meanings set forth in the Indenture. As provided in the Indenture, the Bonds may be various principal sums, are issuable in series, may mature at different times, may bear interest at different rates and may otherwise vary as therein provided; and this Bond of the Ninth Series is the only one of the series entitled "Mortgage Bond Series 1994," created by a Ninth Supplemental Indenture dated as of February 1, 1994, as provided for in the Indenture. With the consent of the holders of more than 50% in aggregate principal amount of the Outstanding Bonds, the Company and the Trustee may from time to time and at any time, enter into a Supplemental Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any provision of the Indenture or of any Supplemental Indenture or of modifying in any manner the rights of the holders of the Bonds and any coupons; provided, however, that (i) no such Supplemental Indenture shall, without the consent of the holder of each Outstanding Bond affected thereby (A) extend the fixed maturity of any Bonds, change any terms of any sinking fund or analogous fund or conversion rights with respect to any Bonds, or reduce the rate or rates or extend the time of payment of interest thereon, or reduce the principal amount thereof, or, subject to certain exceptions, limit the right of a holder of Bonds to institute suit for the enforcement of payment of principal of or any premium or interest on such Bonds in accordance with the terms of said Bonds, or (B) reduce the aforesaid percentage of Bonds, the holders of which are required to consent to any such Supplemental Indenture, or (C) permit the creation by the Company of any Prior Lien, and (ii) no such action which would affect the rights of the holders of Bonds of only one series may be taken unless approved by the holders of more than 60% in aggregate principal amount of the Outstanding Bonds of such series affected, but if any such action would affect the Bonds of two or more series, the approval of such action on behalf of the holders of Bonds of such two or more series may be effected by holders of more than 60% in aggregate principal amount of the Outstanding Bonds of such two or more series, which need not include 60% in principal amount of Outstanding Bonds of each of such series; provided, however, that, in no event shall such action be effective unless approved by holders of more than 50% in aggregate principal amount of all the then Outstanding Bonds of all such series.

In the event that this Bond of the Ninth Series shall not be presented for payment when all Revenue Bonds issued are no longer outstanding under the Revenue Bond Indenture, then all liability of the Company to the Registered Holder of this Bond of the Ninth Series for the payment of the principal hereof and any premium or interest hereon shall forthwith cease, determine and be completely discharged and the right of such Registered Holder of this Bond of the Ninth Series for the payment of the principal hereof and any premium or interest hereon shall forthwith cease, determine and be completely discharged and such Registered Holder shall no longer be entitled to any lien or benefit of the Indenture.

In case an event of Default shall occur, the principal of this Bond of the Ninth Series may become or be declared due and payable in the manner, with the effect and subject to the conditions provided in the Indenture.

This Bond of the Ninth Series is transferable by the Registered Holder hereof in person or by attorney duly authorized in writing, only to a successor to the Revenue Bond Trustee under the Revenue Bond Indenture, at the principal office of the Trustee in Kansas City, Missouri, (or at the principal office of any successor in trust), upon surrender and cancellation of this Bond of the Ninth Series, and upon any such transfer a new registered Bond of the Ninth Series without coupons of the same series for the same principal amount will be issued to the transferee in exchange herefor.

The Company and the Trustee may deem and treat the person in whose name this Bond of the Ninth Series is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or any premium or interest on this Bond of the Ninth Series, or for any claim based hereon or otherwise in respect hereof or of the Indenture or any Supplemental Indenture, against any incorporator, stockholder, director or officer, past, present or future, of the Company or of any predecessor corporation, as such, either directly or through the Company or of any such predecessor or

successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, stockholders, directors and officers being waived and released by every owner hereof by the acceptance of this Bond of the Ninth Series and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This Bond of the Ninth Series shall not be valid or become obligatory for any purpose unless and until the certificate of authentication hereon shall have been executed by the Trustee or its successor in trust under said Indenture.

IN WITNESS WHEREOF, KANSAS CITY POWER & LIGHT COMPANY has caused this Bond of the Ninth Series to be executed in its name by the manual or facsimile signature of its Chairman of the Board or its President or one of its Vice Presidents, and its corporate seal to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

KANSAS CITY POWER & LIGHT COMPANY,

Dated: By _____
Authorized Signature

Attest:

Secretary or Assistant Secretary

The form of Trustee's certificate to appear on the Bond of the Ninth Series shall be substantially as follows:

(FORM OF TRUSTEE'S CERTIFICATE)

This Bond of the Ninth Series is the Bond of the series designated therein, described in the within-mentioned Indenture and Ninth Supplemental Indenture.

UNITED MISSOURI BANK, N.A.,
as Trustee,

By _____
Authorized Signature

ARTICLE II.
ISSUE OF BOND OF THE NINTH SERIES.

SECTION 1. The Bond of the Ninth Series may be executed, authenticated and delivered as permitted by the provisions of Article III, IV, V or VI of the Indenture.

ARTICLE III.
THE TRUSTEE.

SECTION 1. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company, or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company.

Except as herein otherwise provided, no duties, responsibilities or liabilities are assumed, or shall be construed to be assumed, by the Trustee by reason of this Supplemental Indenture other than as set forth in the Indenture; and this Supplemental Indenture is executed and accepted on behalf of the Trustee, subject to all the terms and conditions set forth in the Indenture, as fully to all intents as if the same were herein set forth at length.

ARTICLE IV.

MISCELLANEOUS PROVISIONS.

SECTION 1. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Indenture, as amended, shall be deemed to be incorporated in, and made a part of, this Supplemental Indenture; and the Indenture as supplemented and amended by this Supplemental Indenture is in all respects ratified and confirmed; and the Indenture, as amended, and this Supplemental Indenture shall be read, taken and construed as one and the same instrument.

SECTION 2. Nothing in this Supplemental Indenture is intended, or shall be construed to give to any person or corporation, other than the parties hereto and the holders of Bond of the Ninth Series issued and to be issued under and secured by the Indenture, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions of this Supplemental Indenture being intended to be, and being, for the sole and exclusive benefit of the parties hereto and of the holders of Bond of the Ninth Series issued and to be issued under the Indenture and secured thereby.

SECTION 3. All covenants, stipulations and agreements in this Supplemental Indenture contained by or on behalf of the Company shall bind and (subject to the provisions of the Indenture, as amended) inure to the benefit of its successors and assigns, whether so expressed or not.

SECTION 4. The headings of the several Articles of this Supplemental Indenture are inserted for convenience of reference, and shall not be deemed to be any part hereof.

SECTION 5. This Supplemental Indenture may be executed in any number of counterparts, and each of such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, KANSAS CITY POWER & LIGHT COMPANY has caused this Supplemental Indenture to be executed by its Chairman of the Board or one of its Vice Presidents and its corporate seal to be hereunto affixed, duly attested by its Secretary or one of its Assistant Secretaries, and UNITED MISSOURI BANK, N.A., as Trustee as aforesaid, has caused the same to be executed by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed, duly attested by one of its Assistant Secretaries, as of the day and year first above written.

KANSAS CITY POWER & LIGHT COMPANY,

By
(B. J. Beaudoin)

ATTEST:

(Jeanie Sell Latz)

UNITED MISSOURI BANK, N.A.,

By
(Frank C. Bramwell)

ATTEST:

(R. William Bloemker)

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 16th day of February, 1994, before me, a Notary Public in and for said County in the State aforesaid, personally appeared B. J. Beaudoin, to me personally known, who, being by me duly sworn, did say that he is Senior Vice President-Finance and Chief Financial Officer of KANSAS CITY POWER & LIGHT COMPANY, a Missouri corporation, one of the corporations described in and which executed the foregoing instrument, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said B. J. Beaudoin acknowledged said instrument and the execution thereof to be the free and voluntary act and deed of said corporation by it voluntary executed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid the day and year first above written.

Janee C. Rosenthal
Notary Public, Clay
County, Missouri

(SEAL)

My commission expires
February 25, 1995

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 16th day of February, 1994, before me, a Notary Public in and for said County in the State aforesaid, personally appeared Frank C. Bramwell, to me personally known, who, being by me duly sworn, did say that he is a Vice President of UNITED MISSOURI BANK, N.A., a national banking association organized and existing under the laws of the United States of America, one of the corporations described in and which executed the foregoing instrument, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said Frank C. Bramwell acknowledged said instrument and the execution thereof to be the free and voluntary act and deed of said corporation by it voluntary executed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid the day and year first above written.

Janee C. Rosenthal
Notary Public, Clay
County, Missouri

(SEAL)

My commission expires
February 25, 1995

KANSAS CITY POWER & LIGHT COMPANY

SUPPLEMENTAL EXECUTIVE RETIREMENT
AND DEFERRED COMPENSATION PLAN

KANSAS CITY POWER & LIGHT COMPANY

SUPPLEMENTAL EXECUTIVE RETIREMENT AND DEFERRED COMPENSATION PLAN

PREAMBLE

The principal objective of this Supplemental Executive Retirement and Deferred Compensation Plan is to ensure the payment of a competitive level of retirement income in order to attract, retain, and motivate selected executives, to provide opportunities for selected employees and members of the Board of Directors to defer the receipt of compensation, and to restore benefits which cannot be paid under the Company's Qualified Pension, 401(k) Savings Plan and Capital Accumulation Plan due to restrictions on benefits, contributions, or compensation covered under those plans. This plan will become effective on November 2, 1993, and will be effective as to each Participant on the date he or she is designated as a Participant hereunder. This plan supersedes all previous non-qualified retirement and deferred compensation plans that may be in existence.

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SECTION I
DEFINITIONS

1.1 "Basic Plan" means the Kansas City Power & Light Company Management Pension Plan.

1.2 "Basic Plan Benefit" means the amount of benefit payable from the Basic Plan to a Participant in the form of a Single Life Pension. The following terms shall have the same meaning as set forth in the Basic Plan as amended from time-to-time:

- Normal Retirement Date
- Years of Credited Service
- Actuarial Equivalent
- Single Life Pension

1.3 "Board of Directors" means the Board of Directors of the Company, which has the authority to administer the Plan.

1.4 "Company" means Kansas City Power & Light Company.

1.5 "Final Average Monthly Salary" means Final Average Monthly Salary as defined under the Basic Plan but computed using a period of thirty-six consecutive months, plus the amount of any deferrals under Section 6.1 of the Plan which would have been included but for such deferrals, plus any amounts disregarded pursuant to the provisions of Internal Revenue Code Section 401(a)(17).

1.6 "Committee" means the Nominating & Compensation Committee (or successor to such Committee) of the Company's Board of Directors.

1.7 "Participant" for purposes of Sections II, III, IV, and V, means an employee of the Company which has been designated as a Participant by the Board of Directors or the Committee and continues to be designated as a Participant at the time of his or her Retirement. Such employee shall become a Participant in the Plan as of the date he or she is individually selected by, and specifically named in the resolutions of, the Board of Directors or the Committee for participation in the Plan.

For purposes of Sections VI, VII, and VIII, Participant shall include any employee selected for participation by the Chief Executive Officer. For purposes of Sections 6.1 to 6.7, Participant shall include members of the Board of Directors.

1.8 "Plan" means this Supplemental Executive Retirement and Deferred Compensation Plan.

1.9 "Retirement" means the termination of a Participant's employment with the Company on one of the retirement dates specified in Section 2.1.

1.10 "Surviving Spouse" means a Participant's surviving spouse who is eligible to receive a surviving spouse's benefit under the Basic Plan.

1.11 The masculine gender, where appearing in the Plan, will be deemed to include the feminine gender, and the singular may include the plural, unless the context clearly indicates the contrary.

SECTION II
ELIGIBILITY FOR BENEFITS

2.1 Each Participant shall be eligible to retire and receive a supplemental retirement benefit under this Plan beginning on one of the following dates:

(a) "Normal Retirement Date" as defined in the Basic Plan.

(b) "Early Retirement Date"; at any time after attaining age 55 and prior to his Normal Retirement Date, the Participant may request early retirement by giving written notice of such request to the Chief Executive Officer ("CEO") (six months is the normal notice period required hereunder, thus enabling the Company to fully consider the request, determine its impact on Company operations, and to take any steps or actions that might be required to accommodate such request) and if the CEO recommends that the request be granted, the CEO shall submit such request to the Board of Directors for its final determination.

SECTION III
AMOUNT AND FORM OF RETIREMENT BENEFITS

3.1 The annual supplemental retirement benefit payable at Normal Retirement Date under the Plan shall equal:

(a) Two percent (2%) of the Employee's Final Average Monthly Salary multiplied by the Participant's Years and fractions of Years of Credited Service, except that Years of Credited Service in excess of thirty (30) shall not be taken into consideration and accordingly the maximum supplemental retirement benefit shall be sixty percent (60%) of the Employee's Final Average Monthly Salary; less

(b) The actual normal retirement benefit payable to the Employee under the Basic Plan.

The supplemental retirement benefit shall be the actuarial equivalent of a Single Life Pension regardless of the form of pension actually elected by or applicable to the Participant. The supplemental retirement benefit payable to the Participant or to his spouse under this Plan shall be calculated without regard to limitations imposed by Section 415 of the Internal Revenue Code, as now or hereafter amended.

3.2 The annual supplemental retirement benefit payable at an Early Retirement Date shall equal the benefit determined in Section 3.1 reduced by one-quarter of one percent (0.25%) for each month the Participant's Early Retirement Date precedes the first day of the month following the month in which he will attain age 62.

3.3 A Participant whose employment with the Company terminates due to a total disability for which the Participant is eligible to receive benefits under the Company's Long-Term Disability Plan shall be eligible for a supplemental retirement benefit payable at the Participant's Early or Normal Retirement Date. The supplemental retirement benefit shall be determined in accordance with Section 3.1 except that the Participant's Final Average Monthly Salary shall be determined as of the date of the Participant's disability, and his Years of Credited Service shall include the period from the date of disability to the earlier of the Participant's commencement of benefits under this Plan or his Normal Retirement Date, but in no event shall Years of Credited Service in excess of 30 be considered.

3.4 The supplemental retirement benefits determined under this Plan shall be payable in the same form as that elected by the Participant with respect to benefits payable under the Basic Plan; provided, however, such optional form of pension shall be the Actuarial Equivalent of the supplemental retirement benefit if paid as a Single Life Pension.

SECTION IV
PAYMENT OF RETIREMENT BENEFITS

4.1 Supplemental retirement benefits payable in accordance with Section III shall commence on the date specified in Section 2.1. Benefits shall continue to be paid until the first day of the month following the month in which the retired Participant dies, unless the form in which the Participant's benefit is paid pursuant to Section 3.4 provides for payment of survivor benefits.

SECTION V
DEATH BENEFITS PAYABLE

5.1 If a Participant should die before supplemental retirement benefit payments commence under this Plan, his Surviving Spouse shall receive a qualified pre-retirement survivor annuity under this Plan calculated as provided in the Basic Plan except that the Participant's pension, for purposes of the calculation, shall be the amount determined in Section III above, the amount of the survivor annuity so determined to be reduced by the qualified pre-retirement survivor annuity such surviving spouse may receive under the Basic Plan.

5.2 A Surviving Spouse's benefit shall be payable monthly, and shall commence on the first day of the month following the month in which the Participant dies or, if later, on the first day of the month in which he would have attained age 55. The last payment shall be on the first day of the month in which the Surviving Spouse dies.

SECTION VI
DEFERRED COMPENSATION

6.1 Prior to the beginning of any calendar year, the Participant may elect to defer receipt of:

- (a) a specified dollar amount or percentage of his anticipated base salary (or director's fees) as in effect on January 1 of the year in which salary is to be deferred; and/or
- (b) a specified dollar amount or percentage of any anticipated award under any bonus or incentive plan to be paid to the Participant for performance in the following calendar year.

If the Participant desires to make such an election, the election shall be in writing on a form provided by the Company and shall indicate an election to defer a fixed percentage of up to 50 percent of base salary, and/or 100 percent of directors fees or any award under any bonus or incentive plan ("Incentive Awards"). Alternatively, the Participant may elect to defer a fixed dollar amount of base salary and/or any Incentive Awards in increments of one thousand dollars, with a minimum deferral of \$2,000 and a maximum deferral of an amount equal to 50 percent of base salary and 100 percent of directors fees or any Incentive Awards. Base salary may be deferred in a given year only if the Participant participates in the Company's Employee Savings Plus Plan to the maximum extent allowed for that year. A new Participant who becomes a Participant during a year may make a deferral election for the balance of the year in which he becomes a Participant, provided the election is made on or before the 30th day after the day on which he becomes a Participant.

An election to defer compensation under this Section VI shall apply only to compensation earned subsequent to the date the election is made. An election to defer compensation shall be effective only for the year or portion of the year for which the election was made, and may not be terminated or changed during such year or portion of such year. Should the Participant desire to continue the same election from year to year, he must nevertheless make each year an affirmative election to defer compensation. For purposes of this Section 6.1, "base salary" means the Participant's annual salary.

6.2 The Company shall establish on its books of account separate deferred compensation accounts for each Participant under this Section VI, and shall credit to the account of a Participant that portion of his compensation being deferred, together with any other applicable amounts of additional deferred compensation for that calendar year. Deferred base salary shall be credited to the Participant's account each month at the time non-deferred base salary is paid to the Participant. Deferred Incentive Awards shall be credited to the Participant's account annually at the time the award is approved. All such accounts shall be unsecured. The Participant and his designated beneficiary or beneficiaries shall not have any property interest whatsoever in any specific assets of the Company as a result of this Plan.

6.3 The Committee shall establish a means by which a return is earned on Participant's account. The method and manner for establishing such return shall be reviewed from time to time by the Committee. Such return shall be credited and compounded to a Participant's account on a monthly basis or at such other time or times as the Committee may decide.

6.4 A Participant's deferral election shall indicate, with respect to amounts deferred pursuant to the election, a deferral period in accordance with Section 6.5 and a distribution alternative in accordance with Section 6.6.

6.5 A Participant may elect to defer receipt of amounts deferred pursuant to a deferral election until one of the following:

- (a) A stated date;
- (b) A stated attained age; or
- (c) A stated event (e.g., death) or events, or the earlier of two or more stated events (e.g., the earlier of death or attainment of age 65).

In the event a Participant fails to designate a deferral period hereunder, payment of amounts deferred pursuant to the deferral election shall commence within 90 days of the Participant's termination of employment.

The investment return shall continue to accrue with respect to the balance of a Participant's account during the payout period elected pursuant to this Section VI, and such return shall be paid to the Participant in monthly installments over the payout period. The return attributable to compensation deferred pursuant to a particular deferral election shall be payable according to the same terms, conditions, limitations, and restrictions applicable to the compensation deferred pursuant to the deferral election. The return shall continue to be credited to the Participant's account until

all amounts credited to his account have been paid and shall be credited to the Participant's account, after giving effect to any reduction in the account as a result of any payments. Any remaining payments shall be re-computed to reflect the additional return.

6.6 A Participant's deferral election shall indicate the manner in which the Participant desires the amounts deferred pursuant to the election to be paid. The Participant may choose to have such amounts paid:

(a) in a single lump-sum payment; or

(b) in monthly installments (of principal plus earnings) over a period of 60 months certain, 120 months certain, or 180 months certain. In the event a Participant fails to make an election concerning the form of payment, payment shall be made in a single lump sum.

Any amounts paid to the Participant shall be subject to any income tax withholding or other deductions as may from time to time be required by federal, state, or local law. Payments under this Section shall include, if applicable, a proration of benefit adjustment amounts through the day preceding the day on which the Participant retires, becomes disabled, or ceases to be an employee of the Company. Payments under this Section on account of deferral shall be paid in full if the lump-sum option is chosen, or shall begin to be paid in monthly installments if a monthly payment option is chosen, within 30 days of the date elected by the Participant, or as soon thereafter as practicable.

Following the close of each year, or as soon as practicable thereafter, the Participant or his designated beneficiary or beneficiaries shall receive a statement of the Participant's deferred compensation account as of the end of such year. The statement shall reflect the total benefit adjustment amount, if any; total accrued earnings credited to the account as of the end of such year; and any additional amounts of deferred compensation, if any, credited to the account as of the end of such year; less any monthly installment payments paid during such year.

6.7 At the time a Participant elects to defer compensation under this Plan he shall designate a death beneficiary or beneficiaries. Such designation may be changed at any time by the Participant. If a Participant dies before he begins to receive payment of amounts deferred pursuant to a given deferral election, the full amount due the Participant under said election shall be paid to his designated beneficiary or beneficiaries in a single lump-sum payment as soon as practicable after the Participant's death.

If a Participant dies after he begins to receive payment of amounts deferred pursuant to a given deferral election, the balance of the amounts which would have been paid under the deferral election to the Participant but for his death shall continue to be paid to his beneficiary or beneficiaries at the same times and in the same form as the payments would have been paid to the Participant but for his death. If a Participant is not survived by a designated beneficiary, the balance of the amounts due the Participant under the deferral election for which no surviving beneficiary exists shall be paid in a single lump-sum payment to the Participant's estate as soon as practicable following his death. If, with respect to a particular deferral election a Participant's last surviving designated beneficiary should die after the Participant but before the balance of the amounts due the beneficiary under the deferral election have been paid, the balance shall be paid in a single lump-sum payment to the estate of the last surviving designated beneficiary as soon as practicable after the beneficiary's death.

6.8 The Company shall credit to a Participant's account a matching contribution in an amount equal to 50% of the first 6% of the amount of the Participant's deferral of base salary under Section 6.1(a), but such amount shall be reduced by the matching contribution made during the year to the Participant's account in the Employee Savings Plus Plan. In no event shall the total matching contribution in the Employee Savings Plus Plan and this Plan exceed 50% of 6% of the Participant's base salary in any given year. Any additional matching contribution under this Plan shall be credited to the Participant's account on a monthly basis. The matching contributions shall be subject to the following vesting schedule:

Years of Service*

Less Than Two Years 0%

* As defined in Employee Savings Plus Plan.

SECTION VII
ALTERNATIVE SUPPLEMENTAL RETIREMENT, DEATH AND DISABILITY BENEFITS

7.1 Participants eligible for benefits under Sections II, III, IV, and V shall not be eligible for benefits under this Section VII.

7.2 Certain Participants eligible to defer compensation under Section VI may incur a reduction in their retirement benefit under the Basic Plan as a result of their decision to defer base salary in accordance with Section 6.1. A monthly alternative supplemental retirement benefit shall be payable under this Plan to such Participant upon his retirement, said benefit calculated upon the Participant's termination or retirement as follows:

(a) The difference between (i) the accrued benefit under the Basic Plan based on Final Average Monthly Salary determined using Base Salary before any deferrals under Section 6.1(a), and (ii) the accrued benefit determined under the Basic Plan;

(b) Reduction for Early Retirement as elected by the Participant under the Basic Plan (if applicable); and

(c) Reduction to reflect the optional payment form election by the Participant under the Basic Plan (if applicable).

Such benefit shall be payable to the Participant in the same form as the form of benefit in which the Participant elected to receive his Basic Plan benefit.

7.3 This Plan shall pay any death or disability benefit which otherwise would be payable under the Basic Plan but for the election to defer compensation under Section 6.1(a) of this Plan. These Alternative Supplemental Death and Disability Benefits shall be paid at the same time at which, and in the same form in which, the death or disability payments are paid under the Basic Plan, and shall be subject to any other conditions or restrictions applicable under the terms of the Basic Plan to death or disability benefits payable by that Plan.

SECTION VIII
CAPITAL ACCUMULATION PLAN EXCESS BENEFIT

8.1 At the beginning of each calendar year or as soon thereafter as practicable, an amount will be credited to Participant's CAP Excess Benefit Account equal to Participant's total number of flex dollars for the year minus:

(a) the maximum permissible contribution of the Company's Capital Accumulation Plan for the year on behalf of the Participant, and

(b) the number of flex dollars used during such year to purchase the benefits available to Participant under the Flexible Benefits Program.

8.2 Benefits will be paid to the Participant as follows:

(a) When the Participant's employment is terminated (whether due to death, disability, retirement or other termination), a single lump sum payment will be made. The payment shall be equal to the amount credited to the CAP Excess Benefits Account, plus the additional amount credited to the CAP Excess Benefits Account under Section 8.2(c) below. Payment will be made no later than the 60th day after the close of the calendar year in which the Participant's employment terminates. If the Participant dies before payment is made, payment shall be made to the Participant's beneficiary. The Participant's beneficiary for the purposes of this Section VIII shall be beneficiary under the Capital Accumulation Plan.

(b) If both the Participant and his beneficiary die before payment is made, payment shall be made as promptly as possible to the estate.

(c) The Participant's CAP Excess Benefits Account shall be credited and compounded with the same return and in the same manner as provided for in Section 6.3 herein.

8.3 The CAP excess benefits provided for in this Section VIII supersedes those provided for in the Company's Capital Accumulation Plan Excess Benefit Agreement, and any amounts accrued under such Agreements shall be transferred to this Plan and subject to the provisions herein.

SECTION IX
MISCELLANEOUS

9.1 The Board of Directors may, in its sole discretion, terminate, suspend, or amend this Plan at any time or from time-to-time, in whole or in part. However, no amendment or suspension of the Plan shall affect a Participant's right or the right of a Surviving Spouse to benefits accrued up to the date of any amendment or termination. In the event the Plan is terminated the Committee will continue to administer the Plan until all amounts accrued and vested have been paid.

9.2 Nothing contained herein shall confer upon any Participant the right to be retained in the service of the Company, nor shall it interfere with the right of the Company to discharge or otherwise deal with Participants without regard to the existence of this Plan.

9.3 This Plan is unfunded, and the Company shall make Plan benefit payments on a current disbursement basis.

9.4 To the maximum extent permitted by law, no benefit under the Plan shall be assignable or subject in any manner to alienation, sale, transfer, claims of creditors, pledge, attachment, or encumbrances of any kind.

9.5 The Plan shall be administered by the Committee or its designee, which may adopt rules and regulations to assist it in the administration of the Plan.

9.6 Each Participant shall receive a copy of the Plan and the Company shall make available for inspection by any Participant a copy of any rules and regulations used by the Company in administering the Plan.

9.7 If any contest or dispute shall arise as to amounts due to a Participant (other than amounts derived from the investments of deferred compensation) under this Plan, the Company shall reimburse the Participant, on a current basis all legal fees and expenses, incurred by the Participant in connection with such contest or dispute; provided, however, that in the event the resolution of any such contest or dispute includes a finding denying the Participant's claims, the Participant shall be required to immediately reimburse the Company for all sums advanced to the Participant hereunder.

9.8 This Plan is established under and shall be construed according to the Laws of the State of Missouri.

LETTER OF CREDIT AND
REIMBURSEMENT AGREEMENT

between

KANSAS CITY POWER & LIGHT COMPANY

and

THE TORONTO-DOMINION BANK

dated as of August 19, 1993

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LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT dated as of August 19, 1993, between KANSAS CITY POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Missouri (the "Company"), and THE TORONTO-DOMINION BANK (the "Bank"). (Unless otherwise indicated, all capitalized terms used herein shall have the meaning referred to or set forth in Article VI hereof.)

WHEREAS, the Company requested the City of Burlington, Coffey County, Kansas (the "Issuer") to issue pursuant to an Indenture of Trust dated as of September 1, 1985 (the "Indenture"), naming United States Trust Company of New York, as trustee (the "Trustee"), \$56,500,000 aggregate principal amount of the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985A (Kansas City Power & Light Company Project) (the "Bonds") to various purchasers (the "Bond Purchasers") to finance the costs of acquisition, construction, and installation of certain air and water pollution control and sewage and solid waste disposal facilities (the "Project") in Coffey County, Kansas; and

WHEREAS, pursuant to an Equipment Lease Agreement (the "Lease") dated as of September 1, 1985, between the Company and the Issuer, the Company has agreed to use the proceeds of the Bonds for the financing of the Project, and the Company will lease the Project to the Issuer, and pursuant to an Equipment Sublease Agreement (the "Sublease") dated as of September 1, 1985, between the Issuer and the Company, the Project will be subleased by the Issuer to the Company for payments to be made by the Company in such amounts and at such times as will be sufficient to timely pay the principal and interest on the Bonds; and

WHEREAS, in order to induce the Bond Purchasers to purchase the Bonds, the Company has requested the Bank to issue its irrevocable transferable letter of credit in substantially the form of Exhibit A appropriately completed (such letter of credit and any successor letter of credit as provided in such letter of credit being the "Letter of Credit") in the amount of \$63,117,465.75 of which \$56,500,000 shall support the payment of the principal of the Bonds, and \$6,617,465.75 shall support the payment of up to 285 days' accrued interest (computed at 15%) on the Bonds.

NOW, THEREFORE, in consideration of the premises and in order to induce the Bank to issue the Letter of Credit, the parties hereto agree as follows:

ARTICLE I
AMOUNT AND TERMS OF THE LETTER OF CREDIT

SECTION 1.01. The Letter of Credit. On the terms and conditions hereinafter set forth, the Bank agrees, upon the request of the Company, to issue the Letter of Credit dated August 19, 1993, to the Trustee in an amount not to exceed \$63,117,465.75 (the "Commitment") and expiring on or before the Scheduled Termination Date.

SECTION 1.02. Reimbursement. (a) Subject to Section 1.03 in the case of a drawing under the Letter of Credit made pursuant to a Tender Draft and Section 1.04 in the case of a drawing under the Letter of Credit made pursuant to a Redemption Draft or a Purchase Draft and Section 1.05 in the case of a drawing under the Letter of Credit made pursuant to an Interest Draft, the Company hereby agrees to pay to the Bank on demand (i) on and after the date on which the Bank shall pay any draft presented under the Letter of Credit a sum equal to the amount so paid under the Letter of Credit, plus (ii) interest on any amount remaining unpaid by the Company to the Bank under clause (i) above from and including the date such draft was paid by the Bank until such amount becomes due, at such fluctuating interest rate per annum as shall be in effect from time to time pursuant to Section 1.06 herein.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Demand Advance made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.03. Tender Advances and Accrued Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Tender Draft, that portion of such payment with respect to the amount of unpaid principal of the Bonds under such Tender Draft shall constitute a tender advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being a "Tender Advance" and collectively the "Tender Advances." The Company shall repay the aggregate unpaid principal amount of all Tender Advances on the Scheduled Termination Date. That portion of the payment equal to the accrued interest, if any, on the Bonds under such Tender Draft shall constitute an accrued interest advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being "Accrued Interest Advance" and collectively the "Accrued Interest Advances." The Company shall repay the unpaid principal amount of any Accrued Interest Advance and accrued interest thereon on the first business day of the next calendar month. If certified to the Bank by the Company as a payment being made pursuant to this Section 1.03(a), upon such repayment, the Bank shall reinstate the Letter of Credit in the principal amount of such Accrued Interest Advance being repaid. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Tender Advance and each Accrued Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(b) The Company shall pay interest on the unpaid principal amount of each Tender Advance from the date of such Tender Advance until such principal amount shall become due, at the Domestic Rate, the Eurodollar Rate, or the CD Bid Rate, as selected by the Company pursuant to Section 1.08(a). The Company shall pay interest on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, at the Domestic Rate.

SECTION 1.04. Redemption Advances and Purchase Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Redemption Draft, such payment shall constitute a redemption advance made by the Bank to the Company on the date and in the amount of such payment, each such redemption advance being a "Redemption Advance" and collectively the "Redemption Advances." If the Bank shall make any payment under the Letter of Credit pursuant to a Purchase Draft, such payment shall constitute a purchase advance made by the Bank to the Company on the date and in the amount of such payment, each such purchase advance being a

"Purchase Advance" and collectively the "Purchase Advances." (Purchase Advances together with Redemption Advances are hereinafter sometimes referred to individually as a "Term Advance" and collectively as the "Term Advances.")

(b) The Company shall repay the aggregate unpaid principal amount of all Term Advances on the Scheduled Termination Date. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Redemption Advance and Purchase Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(c) The Company shall pay interest on the unpaid principal amount of each Term Advance from the date of such Term Advance until such principal amount shall become due, at the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as selected by the Company pursuant to Section 1.08(b).

SECTION 1.05. Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to an Interest Draft, such payment shall constitute an interest advance made by the Bank to the Company on the date and in the amount of such payment, each such interest advance being an "Interest Advance" and collectively the "Interest Advances." The Company shall repay each Interest Advance on the same day such Interest Advance is made by the Bank.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.06. Interest on Overdue Amounts. Any amount of any Tender Advance or any Accrued Interest Advance which is not paid when due, whether at stated maturity, by acceleration or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-1/2% above the Prime Rate. Any amount of any Term Advance which is not paid when due, whether at stated maturity, by acceleration or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-5/8% above the Prime Rate. Any amount of any Interest Advance which is not paid when due shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-1/2% above the Prime Rate. Except as provided above, any other amount due hereunder which is not paid when due shall bear interest from and including the date the same becomes due until such amount is paid in full at a rate per annum equal to 1-1/2% above the Prime Rate.

SECTION 1.07. Interest Payments. The Company shall pay interest in arrears on the unpaid principal amount of each Advance from the date of such Advance until such principal amount shall become due, payable (i) quarterly on the last day of each March, June, September and December during the term thereof, and (ii) in addition, on the last day of each Interest Period (as hereinafter defined) for such Advance if such Advance is a Eurodollar Advance, a Term Eurodollar Advance, a CD Bid Advance or a Term CD Bid Advance. The Company shall pay interest in arrears on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, payable on the first business day of the next calendar month.

SECTION 1.08. Selection of Interest Rates. (a) Tender Advances. Subject to Sections 1.09(c) and (d) below, the Company may from time to time select for each Tender Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Domestic Rate, the Eurodollar Rate or the CD Bid Rate, provided that the Company shall also select a Business Day on which the Domestic Rate, the Eurodollar Rate or the CD Bid Rate, as the case may be, shall begin for such Tender Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Domestic Rate and at least two Business Days prior to such Business Day in the case of selection of the CD Bid Rate or the Eurodollar Rate. The interest rate selected for any Tender Advance by the Company pursuant to this Section 1.08(a) shall continue thereafter in effect for such Tender Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Tender Advance. If during the term of any Tender Advance the Company changes the interest rate for such Tender Advance from the Eurodollar Rate or the CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the Interest Period for such Tender Advance. In the event that the Tender Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Domestic Rate.

(b) Term Advances. Subject to Sections 1.09(c) and (e), the Company may from time to time select for each Term Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, provided that the Company shall also select a Business Day on which the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as the case may be, shall begin for such Term Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Term Rate and at least two Business Days prior to such Business Day in the case of selection of the Term CD Bid Rate or the Term Eurodollar Rate. The interest rate selected for any Term Advance by the Company pursuant to this Section 1.08(b) shall continue thereafter in effect for such Term Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Term Advance. If during the term of any Term Advance the Company changes the interest rate for such Term Advance from the Term Eurodollar Rate or the Term CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the Interest Period for such Term Advance. In the event that the Term Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Term Rate.

SECTION 1.09. Interest Periods. (a) If and so long as the Eurodollar Rate shall be selected for any Tender Advance or the Term Eurodollar Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, and the date of payment in full of such Eurodollar Advance or Term Eurodollar Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such Eurodollar Advance or Term Eurodollar Advance,

as the case may be. The initial Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any Eurodollar Advance or Term Eurodollar Advance shall be one, three or six months as the Company may, upon telephonic notice given to the Bank at least two Business Days prior to the first day of such Interest Period (such notice to be confirmed by the Company immediately in writing), select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and

(ii) the duration of any Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(b) If and so long as the CD Bid Rate shall be selected for any Tender Advance or the Term CD Bid Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such CD Bid Advance or Term CD Bid Advance, as the case may be, and the date of payment in full of such CD Bid Advance or Term CD Bid Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such CD Bid Advance or Term CD Bid Advance, as the case may be. The initial Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any CD Bid Advance or Term CD Bid Advance shall be one, three or six months as the Company may, upon telephonic notice given to the Bank (such notice to be confirmed by the Company immediately in writing) at least two Business Days prior to the first day of such Interest Period, select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and (ii) the duration of any such Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(c) If (i) it shall become unlawful for the Bank to obtain funds in the London interbank market in order to fund or maintain Eurodollar Advances or Term Eurodollar Advances or otherwise to perform its obligations hereunder with respect to any such Eurodollar Advances or Term Eurodollar Advances, or (ii) due to money market conditions or otherwise, the Bank determines that matching or offsetting deposits for Eurodollar or Term Eurodollar Advances are not available in the London interbank market or that the Bank is unable reasonably to quote a rate for such Advances or that the LIBO Rate does not adequately reflect the cost of funding such Advances, upon notice by the Bank to the Company, the rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate or the CD Bid Rate, as the Company shall select immediately upon receipt of such notice, and the rate of interest on all Term Eurodollar Advances shall thereupon be the Term Rate or the Term CD Bid Rate, as the Company shall select immediately upon receipt of such notice, and the right of the Company to select the Eurodollar Rate for any Tender Advance and the Term Eurodollar Rate for any Term Advance shall cease for the period during which such illegality or such conditions shall occur and be continuing. In the event that the Company shall fail to select an alternative rate, the rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate and the rate of interest on all Term Eurodollar Advances shall be the Term Rate.

(d) On and after the date on which the unpaid principal amount of any Tender Advance shall be reduced, by payment or prepayment or otherwise, to less than \$1,000,000, the rate of interest on the unpaid principal amount of such Tender Advance shall be the Domestic Rate and the right of the Company to select a rate other than the Domestic Rate for such Tender Advance shall terminate; provided, however, that if and so long as such Tender Advance shall bear the same rate (other than the Domestic Rate) for the same Interest Period as another Tender Advance or other Tender Advances and the aggregate unpaid principal amount of all such Tender Advances shall equal or exceed \$1,000,000, the Company shall have the right to select such rate for such Interest Period for such Tender Advance.

(e) On and after the date on which the unpaid principal amount of any Term Advance shall be reduced, by payment or prepayment or otherwise, to less than \$1,000,000 the rate of interest on the unpaid principal amount of such Term Advance shall be the Term Rate and the right of the Company to select a rate (other than the Term Rate) for such Term Advance shall terminate; provided, however, that if and so long as such Term Advance shall bear the same rate (other than the Term Rate) for the same Interest Period as another Term Advance or other Term Advances and the aggregate unpaid principal amount of all such Term Advances shall equal or exceed \$1,000,000, the Company shall have the right to select such rate for such Interest Period for such Term Advance.

SECTION 1.10. Prepayments. (a) The Company may prepay in whole or in part the outstanding amount of any Accrued Interest Advance with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that the Company shall, simultaneously with the making of such prepayment, give notice to the Bank by telephone (which shall be confirmed immediately in writing) or telegraph of such prepayment, which notice shall specify (i) the amount of such prepayment and (ii) the amount of accrued interest transmitted with such prepayment.

(b) The Company may, upon at least two Business Days' notice to the Bank, prepay the outstanding amount of any Advance (other than an Accrued Interest Advance) in whole or in part with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that any prepayment of any Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance shall be made on, and only on, the last day of an Interest Period for such Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance, as the case may be, unless the Company shall pay to the Bank in accordance with Section 1.12 an amount sufficient to compensate the Bank for any loss or expenses incurred by it by reason of such prepayment on a day other than the last day of the relevant Interest Period; provided, further, that in the case of a prepayment certified to the Bank by the Trustee as a payment made pursuant to subsection (c) of this Section, the Company shall on the date of such prepayment pay interest accrued on such Advance to the date of prepayment, together with an amount sufficient to compensate the Bank for any loss or expenses in accordance with Section 1.12.

(c) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Tender Draft or Tender Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an

amount equal to the sum of (i) that portion of any Tender Advances equal to 100% of the principal amount of any such Bonds resold or to be resold and (ii) that portion of the Accrued Interest Advances (the "Corresponding Accrued Interest Advances") which bears the same ratio to the total unreimbursed Accrued Interest Advances as the principal amount of such Bonds sold or to be resold bears to the principal amount of all such Bonds held by the Custodian on behalf of the Company under the Custody Agreement. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(c), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Tender Advances and the Corresponding Accrued Interest Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(d) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Purchase Draft or Purchase Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to that portion of any Purchase Advances equal to 100% of the principal amount of any such Bonds resold or to be resold. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(d), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Purchase Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(e) Amounts received by the Bank from the Company or the Trustee on behalf of the Company in reimbursement for drawings under the Letter of Credit shall be applied first in reimbursement of any unreimbursed drawings made by an Interest Draft, unless such amounts are accompanied by a certificate as described in subsection (c) or (d) of this Section 1.10 or in Section 1.03(a).

SECTION 1.11. Other Payments. The Company hereby agrees to pay to the Bank such fees as are set forth in a letter of even date from the Company to the Bank.

SECTION 1.12. Increased Costs. (a) If either (i) the introduction of or any change (including, without limitation, any change by way of imposition or increase of reserve requirements other than those referred to in Section 1.13 below) in or in the interpretation of any law or regulation or (ii) the compliance by the Bank with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), shall result in any increase in the cost to the Bank of making, funding or maintaining Eurodollar Advances or Term Eurodollar Advances, then the Company shall from time to time, upon demand by the Bank, pay to the Bank additional amounts sufficient to indemnify the Bank against such increased cost. A certificate as to the amount of such increased cost and a reasonable explanation thereof, submitted to the Company by the Bank, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(b) If, due to (i) conversions of the type of interest rate pursuant to Section 1.08, (ii) prepayments pursuant to Section 1.10 (whether by direct or applied payments), (iii) acceleration of the maturity of the Advances pursuant to Section 5.02, or (iv) any other reason, the Bank receives payments of principal of any Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance, or is subject to a conversion of a Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance into another type of Advance other than on the last day of an Interest Period relating to such Advance, the Company shall, promptly after demand by the Bank, pay to the Bank any amounts required to compensate the Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by the Bank to fund or maintain such Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance. A certificate setting forth the amount of such additional losses, costs or expenses and giving a reasonable explanation thereof, submitted by the Bank to the Company, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(c) If, after the date of this Agreement, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) shall subject the Bank to any tax, duty or charge with respect to payments to the Bank of any amount due under this Agreement or shall change the basis of taxation of payments to the Bank of any amount due under this Agreement (except for changes in the rate of tax on the overall net income of the Bank imposed by the jurisdiction in which the Bank's principal executive office is located); or

(ii) shall impose, modify or deem applicable any reserve, capital adequacy, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System or the Reserve Bank of Canada) against assets of, deposits with or for the account of, or credit extended by, the Bank or shall impose on the Bank any other condition affecting the Letter of Credit or its participation therein;

and the result of any of the foregoing is to increase the cost to the Bank of issuing or maintaining the Letter of Credit or its participation therein, or to reduce the amount of any sum received or receivable by the Bank under this Agreement with respect thereto, then, at the discretion of the Bank and within 15 days after demand by the Bank pursuant to paragraph (e) below, the Company shall pay for the account of the Bank such additional amount or amounts as will compensate the Bank for such increased cost or reduction.

(d) If after the date of this Agreement, the Bank shall have determined that the adoption of any applicable law, rule or regulation regarding capital adequacy of general applicability, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank with any request or directive regarding capital adequacy of general applicability (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on the Bank's capital as a consequence of

the Letter of Credit or its participation therein hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the Bank's policies with respect to capital adequacy) then, at the discretion of the Bank and within 15 days after demand by the Bank pursuant to paragraph (e) below, the Company shall pay to the Bank such additional amount or amounts as will, in the opinion of the Bank, compensate it for such reduction.

(e) The Bank will promptly notify the Company of any event of which it has knowledge, occurring after the date hereof, that will entitle the Bank to compensation pursuant to paragraphs (c) or (d) of this Section. A certificate of the Bank submitted to the Company setting forth the additional amount or amounts to be paid to it and a reasonable explanation thereof shall constitute demand for such compensation and shall be conclusive in the absence of manifest error. In determining such amount, the Bank may use any reasonable averaging and attribution methods.

SECTION 1.13. Additional Interest. The Company shall pay to the Bank additional interest on the unpaid principal amount of each Advance during the periods such Advance shall be a Eurodollar Advance or Term Eurodollar Advance until such principal amount is paid in full, payable on each day on which interest on such Advance is payable under Section 1.07, at an interest rate per annum equal at all times during each Interest Period for such Advance, to the excess of (i) the rate obtained by dividing the LIBO Rate for such Interest Period by a percentage equal to 100% minus the reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or if more than one such percentage is so applicable, minus the daily average for such percentages for those days in such Interest Period during which any such percentage shall be so applicable) for determining the maximum reserve requirement (including, without limitation, any marginal reserve requirement) for the Bank in respect of liabilities or assets consisting of or including Eurocurrency liabilities over (ii) the LIBO Rate for such Interest Period.

SECTION 1.14. Payments and Computations. The Company, unless directed otherwise, shall make each payment hereunder not later than 11:00 a.m. (Houston time) on the day when due in lawful money of the United States of America to the Bank, at Morgan Guaranty Trust Company Account #63000271 for the credit of The Toronto-Dominion Bank, New York Branch, in same day funds. All computations of interest at the Domestic Rate and the Term Rate shall be made by the Bank on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest at the Eurodollar Rate, the Term Eurodollar Rate, the CD Bid Rate, the Term CO Bid Rate and the letter of credit commission hereunder shall be made by the Bank on the basis of a year of 360 days, in each case for the actual number of days (including the first day, but excluding the last day) elapsed.

SECTION 1.15. Payment on Non-Business Days. Whenever any payment to be made hereunder shall be stated to be due, or whenever the last day of any Interest Period would otherwise occur, on a day which is not a Business Day, such payment shall be made, and the last day of such Interest Period shall occur, on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commission, as the case may be; provided, however, if such extension would cause such payment of a Eurodollar Advance or a Term Eurodollar Advance to be made on the last day of such Interest Period to occur in a new calendar month, such payment shall be made and the last day of such Interest Period shall occur on the next preceding Business Day.

SECTION 1.16. Extension of the Letter of Credit. At least 90 days but not more than 120 days before each May 15, commencing May 15, 1995, and each succeeding year thereafter until the Scheduled Termination Date, the Company may request the Bank in writing (each such request being irrevocable and binding) to extend for one year the Scheduled Termination Date of the Letter of Credit. The Bank shall respond to the Company's request for such extension on or before each June 1 in the year in which the Company has requested an extension of the Letter of Credit. In the event the Bank does not respond to the Company's initial request by June 1 of the year the Company first requests an extension, the Bank shall be deemed to have granted to the Company an extension of the Letter of Credit from August 18, 1996, to and including August 18, 1997, on the same terms and conditions as contained herein. If the Bank fails to respond to any request for an extension of the Scheduled Termination Date made subsequent to the Company's initial request, such extension shall be deemed not to have been given. In the event the Bank responds to the Company's request with an offer of new terms and conditions, the Company shall have until July 1 of such year to give its consent or nonconsent in writing to the Bank's offer of new terms and conditions. If the Company does not consent in writing to such terms and conditions by such date, the extension shall be deemed not to have been given. Any consent or offer the Bank may give or any extension that is deemed to be given shall be conditional upon the preparation, execution and delivery of legal documentation in form and substance satisfactory to the Bank and its counsel.

SECTION 1.17. Obligations Absolute. The payment obligations of the Company under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(i) any lack of validity or enforceability of the Letter of Credit, the Bonds, the Indenture, the Lease, the Sublease, or any other agreement or instrument relating thereto (collectively the "Related Documents");

(ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(iii) the existence of any claim, set-off, defense or other right which the Company may have at any time against the Trustee, any beneficiary or any transferee of the Letter of Credit (or any persons or entities for whom the Trustee, any such beneficiary or any such transferee may be acting), the Bank or any other person or entity, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(v) payment by the Bank under the Letter of Credit against presentation of a draft or certificate which does not comply with the terms of the Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided however that such circumstance or happening shall not have been the result of the gross negligence or willful misconduct of the Bank.

ARTICLE II
CONDITIONS OF ISSUANCE

SECTION 2.01. Condition Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit is subject to the condition precedent that the Bank shall have received on or before the date of the issuance of the Letter of Credit the following, each dated such day, in form and substance satisfactory to the Bank:

(a) Certified copies of the resolutions of the Board of Directors of the Company authorizing the Company to enter into this Agreement, approving the Letter of Credit and the other matters contemplated hereby.

(b) Originals (or copies certified by the Secretary or Assistant Secretary of the Company) of current approvals or orders of the Issuer and the public utility regulatory commissions of the States of Missouri and Kansas necessary for the Company with respect to this Agreement.

(c) A certificate of the Secretary or Assistant Secretary of the Company, certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the other documents to be delivered by it hereunder.

(d) Opinions of Samuel P. Cowley, Esq., Senior Vice President and Chief Legal Officer for the Company, in substantially the form of Exhibit B hereto and as to such other matters as the Bank may reasonably request.

(e) Opinions of Chapman and Cutler, Bond Counsel, in substantially the form of Exhibit C hereto and as to such other matters as the Bank may reasonably request, including advice from such Bond Counsel to the Bank that the Bank may rely on such opinion.

(f) A transcript relating to the issuance of the Bonds.

(g) Such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates of executed copies thereof) or opinions as the Bank may reasonably request.

SECTION 2.02. Additional Conditions Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit shall be subject to the further conditions precedent that on the date of the issuance of the Letter of Credit:

(a) The following statements shall be true and the Bank shall have received a certificate signed by a duly authorized officer of the Company, dated the date of such issuance, stating that:

(i) The representations and warranties contained in Section 3.01 of this Agreement are correct on and as of the date of issuance of the Letter of Credit as though made on and as of such date; and

(ii) no event has occurred and is continuing, or would result from the issuance of the Letter of Credit, which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapse or both.

(b) The Issuer and the Trustee have duly authorized and executed the Indenture and the Indenture shall continue to be in full force and effect.

(c) The Issuer and the Company have duly authorized and executed the Lease and the Sublease and the Lease and the Sublease shall continue to be in full force and effect.

(d) The Issuer has duly executed, issued and delivered the Bonds.

(e) The Bank shall have received such other approvals, opinions or documents as the Bank may reasonably request.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties. The Company represents and warrants as follows:

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.

(b) The execution, delivery and performance by the Company of this Agreement and each Related Document to which it is a party are within the Company's corporate powers, have been duly authorized by all necessary corporate action, do not contravene (i) the Company's charter or by-laws (ii) any law or contractual restriction (including, but not limited to, any restriction in the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to this Agreement and the Related Documents) upon or with respect to any of its properties; or (iii) any other instruments to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company may be subject, or any law, order, rule or regulation applicable to the Company or any court, federal or state, regulatory body, administrative agency or other governmental body having jurisdiction over the Company.

(c) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into this Agreement, and the commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which it is a party, and such order remains in full force and effect in the form issued. Except for the approvals of the Kansas Department of Economic Development, the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained and are in full force and effect, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Company of this Agreement or any Related Document

to which it is a party.

(d) This Agreement is, and each Related Document to which the Company is a party when delivered hereunder will be, the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally).

(e) Except as disclosed in the Company's Form 10-K for the year 1992, Forms 10-Q for the periods March 31, 1993, and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of the Company's knowledge, threatened action or investigation or proceeding before any court, governmental agency or arbitrator against or affecting the Company which may materially adversely affect the financial condition or total operations of the Company; provided, however, for purposes of this subsection (e) only, rate proceedings before any regulatory body shall be excluded.

(f) The balance sheet of the Company as at December 31, 1992, and the related statements of income and retained earnings and of changes in financial position of the Company for the fiscal year then ended, certified by Coopers & Lybrand, independent public accountants, copies of which have been furnished to the Bank, and the balance sheet of the Company as at June 30, 1993, and the related statements of retained earnings for the six months then ended, signed by the Controller of the Company, copies of which are contained in the Company's 10-Q dated as of June 30, 1993, a copy of which has been furnished to the Bank, fairly present the financial condition of the Company as at such respective dates and the results of the operations of the Company for the period ended on such respective dates, all in accordance with generally accepted accounting principles consistently applied, and since June 30, 1993, there has been no material adverse change in the financial condition or total operations of the Company.

(g) Except for information contained therein describing the Bank, as to which no representation is made, the Official Statement (said Official Statement, together with the documents incorporated therein by reference, being the "Official Statement") dated September 26, 1985, of the Issuer relating to the Bonds is, and the Preliminary Official Statement (said Preliminary Official Statement, together with the documents incorporated therein by reference being the "Preliminary Official Statement") dated September 12, 1985, of the Issuer relating to the Bonds as of its date of issue was to the best of the Company's knowledge, and any supplement or amendment to either thereof shall be, accurate in all material respects for the purposes for which its use is, was, or shall be, authorized; and the Official Statement does not, the Preliminary Official Statement as of its date of issue did not to the best of the Company's knowledge, and any such supplement or amendment shall not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they are or were made, not misleading.

(h) No Termination Event has occurred nor is reasonably expected to occur with respect to any Plan.

(i) The Company does not contribute to any Multiemployer Plan and has not incurred any withdrawal liability with respect to any such plan.

ARTICLE IV COVENANTS OF THE COMPANY

SECTION 4.01. Affirmative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will, unless the Bank shall otherwise consent in writing:

(a) Preservation of Corporate Existence, Etc. Preserve and maintain its corporate existence, rights (charter and statutory) and privileges in the state of its incorporation and qualify and remain qualified as a foreign corporation in each jurisdiction in which such qualification is reasonably necessary in view of its business and operations or the ownership of its properties.

(b) Compliance with Laws, Etc. Comply in all respects with all applicable laws, rules, regulations and orders of any governmental authority, the non-compliance with which would materially and adversely affect the financial condition or operations of the Company, such compliance to include, without limitation, paying before the same become delinquent all material taxes, assessments and governmental charges imposed upon it or upon its property, except to the extent compliance with any of the foregoing is then being contested in good faith.

(c) Maintenance of Insurance. Maintain insurance with responsible and reputable insurance companies or associations or through its own program of self-insurance in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Company operates.

(d) Visitation Rights. At any reasonable time and from time to time, permit the Bank or any of its agents or representatives at their own expense to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and to discuss the affairs, finances and accounts of the Company with any of its officers.

(e) Keeping of Books. Keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company in accordance with generally accepted accounting principles consistently applied.

(f) Maintenance of Properties. Maintain and preserve its properties that are necessary to maintain its operating system in good working order and condition, ordinary wear and tear excepted.

(g) Reporting Requirements. Furnish to the Bank the following: (i) as soon as possible, and in any event within 3 days after the occurrence of each Event of Default or each event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default, continuing on the date of such statement, a statement of the chief accounting officer (or in his absence, a principal financial officer) of the Company setting forth details of such Event of Default or event and the action which the Company proposes to take with respect thereto; (ii) as soon as available and in any event

within 10 days after the filing of each quarterly report on Form 10-Q by the Company with the Securities and Exchange Commission, a copy of each such quarterly report, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iii) as soon as available and in any event within 10 days after the filing of each annual report on Form 10-K by the Company with the Securities and Exchange Commission, a copy of each such annual report containing financial statements for such year certified by nationally recognized independent public accountants, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iv) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Company sends to any of its stockholders, and copies of all regular, periodic and special reports and all registration statements, which the Company files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor; (v) as soon as possible and in any event within (A) 30 days after the Company or any of its Affiliates knows or has reason to know that any Termination Event described in clause (i) of the definition of Termination Event with respect to any Plan has occurred and (B) within 10 days after the Company or any of its Affiliates knows or has reason to know that any other Termination Event with respect to any Plan has occurred, a statement of the chief accounting officer (or in his absence a principal financial officer) of the Company describing such Termination Event and the action, if any, which the Company or such Affiliate proposes to take with respect thereto; (vi) promptly and in any event within two Business Days after receipt thereof by the Company or any of its Affiliates from the Pension Benefit Guaranty Corporation ("PBGC"), copies of each notice received by the Company or any such Affiliate of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan; and (vii) such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Company as the Bank may from time to time reasonably request in writing.

(h) Officer's Certificate. In the event that an Advance is made pursuant to Sections 1.03 or 1.04 hereunder, the Company shall deliver to the Bank every ninety (90) days commencing ninety (90) days from the date such Advance is made until all outstanding Advances have been paid in full, a certificate signed by a duly authorized officer of the Company stating that the representations and warranties contained in Section 3.01 (other than subsection (g)) are correct on and as of such date as though made on and as of such date and subsection (g) of Section 3.01 was correct on the date of this Agreement.

(i) Other Agreements. Perform and comply with each of the terms, provisions and conditions, on its part to be performed or complied with, contained in the Indenture, the Lease and the Sublease.

(j) Redemption or Defeasance of Bonds. Use its best efforts to cause the Trustee, (A) upon a redemption or defeasance of less than all of the Bonds pursuant to the Indenture, to furnish to the Bank a notice in the form of Annex G to the Letter of Credit, and (B) upon a redemption or defeasance of all of the Bonds pursuant to the Indenture, to surrender the Letter of Credit to the Bank for cancellation.

(k) Registration of Bonds. Cause all bonds which it acquires, or which it has acquired for its account, to be registered forthwith in accordance with the Indenture in the name of the Company.

SECTION 4.02. Negative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will not, without the written consent of the Bank:

(a) Liens, Etc. Create, incur, assume or suffer to exist any lien, security interest or other charge or encumbrance, or any other type of preferential arrangement, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign any right to receive income, in each case to secure any Obligation of any person, other than (i) purchase money liens or purchase money security interests upon or in any property acquired or held by the Company in the ordinary course of business to secure the purchase price of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property, (ii) liens or security interests existing on such property at the time of its acquisition, (iii) liens, security interests, charges or encumbrances on or over, gas, oil, coal, fissionable material or other fuel or fuel products as security for an Obligation incurred by the Company for the sole purpose of financing the acquisition or storage of such fuel or fuel products or, with respect to nuclear fuel, the processing, reprocessing, sorting, storage and disposal thereof, (iv) liens, security interests, charges or encumbrances on or over all or any part of its undertaking or assets employed wholly or mainly in or arising directly from any specific construction project or generating plant as security for an Obligation incurred by the Company for the purpose of financing all or any part of such construction project or generating plant, (v) the lien of the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946, from the Company to Continental Illinois National Bank and Trust Company of Chicago and the lien of the General Mortgage Indenture and Deed of Trust dated December 1, 1986, from the Company to United Missouri Bank, n.a. (the "Mortgages"), (vi) encumbrances listed on Exhibit D attached hereto, (vii) security interests granted in, or sale of, the Company's accounts receivable, provided that such security interest secures only new debt incurred at substantially the same time as the creation of such security interest and that any such sale is made only for new consideration given at substantially the same time as the making of such sale, (viii) a second mortgage granted on the property subject to the lien of the Mortgage as of the date hereof, and (ix) sales or transfers of property by the Company and renting or leasing back such property, provided that all such property in the aggregate does not exceed fifteen percent (15%) of all the Company's assets.

(b) Mergers, Etc. Merge with or into or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) or acquire all or substantially all of the assets, other than utility assets, of, any person or entity, except that the Company may merge or consolidate with any person or entity on condition in each case that, (i) immediately after giving effect thereto, no event shall occur and be continuing which constitutes an Event of Default or which with the giving of notice or lapse of time, or both, would

constitute an Event of Default, (ii) the consolidation or merger shall not materially and adversely affect the ability of the Company to perform its obligations hereunder or under the Related Documents, and (iii) the corporation formed by any such consolidation or into which the Company shall be merged shall assume the Company's obligations and performance of the Company's covenants hereunder and under the Related Documents in a writing satisfactory in form and substance to the Bank.

(c) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or, except as otherwise permitted under Section 4.02(a), pledge or otherwise encumber more than fifteen percent (15%) of its assets, except in the ordinary course of its business or in connection with a transaction authorized by subsection (b) of this Section 4.02.

(d) Compliance with ERISA. (i) Voluntarily terminate any Plan, so as to result in any material liability of the Company to PBGC or (ii) enter into any Prohibited Transaction (as defined in Section 4975 of the Internal Revenue Code of 1954, as amended, and in ERISA) involving any Plan which results in any material liability of the company to PBGC, (iii) cause any occurrence of any Reportable Event which results in any material liability of the Company to PBGC or (iv) allow or suffer to exist any other event or condition known to the Company which results in any material liability of the Company to PBGC.

(e) Amendment of Indenture or Related Document. Enter into or consent to any amendment or modification of, the Indenture, the Lease, the Sublease or any other Related Document, which would adversely affect the Bank, without first obtaining the express prior written consent of the Bank thereto.

ARTICLE V EVENTS OF DEFAULT

SECTION 5.01. Events of Default. The occurrence of any of the following events shall be an "Event of Default" hereunder unless waived by the Bank pursuant to Section 7.01 hereof:

(a) the Company shall fail to pay any amount payable to the Bank under any provision of Article I when due except as provided in (b) below; or

(b) the Company shall fail to pay any amount of an Interest Advance within one (1) day after such amount becomes due; or

(c) any representation or warranty made by the Company herein or by the Company (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(d) the Company shall fail to perform or observe any other term, covenant or agreement contained in this Agreement, and any such failure shall remain unremedied for 10 days after written notice thereof shall have been given to the Company by the Bank; or

(e) any material provision of this Agreement shall at any time for any reason cease to be valid and binding upon the Company, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Company, or a proceeding shall be commenced by any governmental agency or authority having jurisdiction over the Company seeking to establish the invalidity or unenforceability thereof, or the Company shall deny that it has any or further liability or obligation under this Agreement; or

(f) the Company shall (x) fail to make any payment, equal to or exceeding \$10,000,000 of any Obligation or to make any payment, equal to or exceeding \$5,000,000, of any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Obligation, or (y) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Obligation when required to be performed or observed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of, the maturity of any Obligation, the unpaid principal amount of which then equals or exceeds \$10,000,000; or

(g) the Company shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors or shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, reorganization or insolvency or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property; or the Company shall take any corporate action to authorize any of the actions described above in this subsection (g); or any proceeding shall be instituted against the Company seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement or adjustment of debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a trustee, receiver or custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Company in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days; or

(h) any judgement or order for the payment of money in excess of \$10,000,000 shall be rendered against the Company and either (x) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (y) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) any Termination Event with respect to a Plan shall have occurred, and, 30 days after notice thereof shall have been given to the Company by the Bank, (i) such Termination Event (if correctable) shall not have been corrected and (ii) the then present value of such Plan's vested benefits exceeds the then current value of assets accumulated in such Plan by more than the amount of \$15,000,000 (or

in the case of a Termination Event involving the withdrawal of a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), the withdrawing employer's proportionate share of such excess exceed such amount); or

(j) any event of default under and as defined in the Indenture, the Lease or the Sublease shall have occurred and be continuing.

SECTION 5.02. Upon an Event of Default. If any Event of Default shall have occurred and be continuing, the Bank may (i) by notice to the Company, declare the obligation of the Bank to issue the Letter of Credit to be terminated, whereupon the same shall forthwith terminate, or if the Letter of Credit shall have been issued, (ii) give notice to the Trustee pursuant to Section 802 of the Indenture directing the Trustee to declare the principal of all Bonds then outstanding and all interest accrued and unpaid thereon to be due and payable and (iii) declare the Advances, all amounts payable under any provision of Article I, all interest thereon and all other amounts payable hereunder to be forthwith due and payable, whereupon the Advances, all amounts payable under any provision of Article I, all interest thereon and all such other amounts shall become and be forthwith due and payable, without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Company.

ARTICLE VI DEFINITIONS

SECTION 6.01. Definitions. Unless otherwise indicated in this Agreement, the capitalized terms used herein shall have the following meanings:

"Accrued Interest Advance" has the meaning set forth in Section 1.03(a) hereof.

"Advances" means, collectively, Tender Advances, Accrued Interest Advances, Redemption Advances and Purchase Advances, and an "Advance" means any of them.

"Affiliate" means any trade or business (whether or not incorporated) which is a member of a group of which the Company is a member and which is under common control within the meaning of the regulations under Section 414 of the Internal Revenue Code of 1954, as amended.

"Assessment Rate" for any Interest Period for any CD Bid Advance or Term CD Bid Advance means the annual assessment rate per annum estimated by the Bank on the first day of such Interest Period for determining the then current annual assessment payable by the Bank to the Federal Deposit Insurance Corporation (or any successor) for such Corporation's (or such successor's) insuring U.S. dollar deposits of the Bank in the United States.

"Available Amount" in effect at any time means the maximum amount available to be drawn at such time under the Letter of Credit (the determination of such maximum amount to assume, throughout this Agreement, compliance with all conditions for drawing and no reduction for any amount drawn by an Interest Draft referred to in the Letter of Credit (unless such amount is not reinstated under the Letter of Credit)).

"Bonds" means the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985A (Kansas City Power & Light Company Project).

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City or Houston, Texas, and, if the applicable Business Day relates to any Eurodollar Advance or Interest Period therefor, on which dealings are carried on in the London interbank market.

"CD Bid Advance" means a Tender Advance bearing interest at the CD Bid Rate.

"CD Bid Rate" during any Interest Period for any CD Bid Advance means an interest rate per annum equal to 5/8 of 1% per annum.

"CD Bid Formula" shall mean a rate equal to the sum of (x) the rate of interest equal to the per annum rate determined by the Bank at 9:00 a.m. Houston time (or as soon thereafter as practicable) on the first day of the applicable Interest Period, of certificates of deposit with maturities identical to the duration of such Interest Period, plus (y) the Assessment Rate divided by (z) one hundred percent (100%) minus the Reserve Percentage.

"Commitment" has the meaning set forth in Section 1.01 hereof.

"Company" means Kansas City Power & Light Company, a corporation organized and existing under the laws of the State of Missouri.

"Corresponding Accrued Interest Advances" has the meaning set forth in Section 1.10(c) hereof.

"Custodian" means United States Trust Company of New York, as custodian under the Custody Agreement.

"Custody Agreement" means the Custody Agreement dated as of September 1, 1985, between the Company and the Custodian and all amendments, modifications and supplements thereto.

"Demand Advance" means a payment made by the Bank under the Letter of Credit which is due on demand pursuant to Section 1.02 hereof.

"Domestic Advance" means a Tender Advance bearing interest at the Domestic Rate.

"Domestic Rate" means an interest rate equal to the Prime Rate.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurodollar Advance" means a Tender Advance bearing interest at the Eurodollar Rate.

"Eurodollar Rate" during any Interest Period for any Tender Advance means an interest rate per annum equal at all times during each Interest Period for such Tender Advance to 1/2 of 1% per annum above the LIBO Rate.

"Event of Default" shall have the meaning set forth in Section 5.01 hereof.

"Final Draft" has the meaning set forth in the Letter of Credit.

"Indenture" means the Indenture of Trust dated as of September 1, 1985, between the Issuer and United States Trust Company of New York, as trustee and all amendments, modifications and supplements thereto.

"Interest Advance" has the meaning set forth in Section 1.05(a) hereof.

"Interest Draft" has the meaning set forth in the Letter of Credit.

"Interest Period" has the meaning set forth in Section 1.09(a) hereof.

"Issuance Date" has the meaning set forth in Section 1.11 hereof.

"Issuer" means the City of Burlington, Kansas.

"Lease" means the Equipment Lease Agreement dated as of September 26, 1985, between the Issuer and the Company, and all amendments, modifications and supplements thereto.

"Letter of Credit" means the irrevocable, transferable letter of credit issued by the Bank in substantially the form of Exhibit A hereto and any successor letter of credit as provided in such letter of credit.

"LIBO Rate" for any Interest Period means the rate of interest per annum at which deposits in United States dollars are offered to the Bank at its London, England branch by prime banks in the London Interbank Market for a period equal to the duration of such Interest Period relating to any Advance at or about 11:00 a.m. (London time) two Business Days before the first day of such Interest Period.

"Mortgages" has the meaning set forth in Section 4.02(a) hereof.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Obligation" of any person or entity means (i) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such person otherwise assures a creditor against loss, (ii) obligations under leases in respect of which obligations such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such person otherwise assures a creditor against loss, and (iii) liabilities in respect of unfunded vested benefits under each Plan maintained for employees of such person and covered by Title IV of ERISA.

"Official Statement" has the meaning set forth in Section 3.01(g).

"Plan" means an employee benefit plan (other than a Multiemployer Plan) maintained for employees of the Company or any Affiliate and covered by Title IV of ERISA.

"Preliminary Official Statement" has the meaning set forth in Section 3.01(g).

"Prime Rate" means the rate of interest per annum from time to time designated by the Bank at its principal office in Houston, Texas, as its "prime rate," whether or not such "prime rate" is actually charged by the Bank, with all changes therein to be effective on the date announced.

"Purchase Advance" has the meaning set forth in Section 1.04(a) hereof.

"Purchase Draft" has the meaning set forth in the Letter of Credit.

"Redemption Advance" has the meaning set forth in Section 1.04(a) hereof.

"Redemption Draft" has the meaning set forth in the Letter of Credit.

"Related Documents" has the meaning set forth in Section 1.17(i) hereof.

"Reserve Percentage" for any Interest Period for any CD Bid Advance or Term CD Bid Advance is that percentage which is specified on the first day of such Interest Period by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement for the Bank with respect to liabilities consisting of or including (among other liabilities) U.S. dollar nonpersonal time deposits in the United States in an amount of \$1,000,000 or more and with a maturity equal to such Interest Period, together with any marginal, emergency, supplemental, special or other reserve that the Bank, in its sole discretion, determines that it is required to maintain on such day for deposits with a maturity equal to such Interest Period.

"Scheduled Termination Date" means the earliest of (i) the date on which the Trustee surrenders the Letter of Credit for cancellation, (ii) the date on which the Bank honors a Redemption Draft for all the Bonds, (iii) the date on which the Bank honors a Final Draft, (iv) the tenth day after the Bank receives written notice that all the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which the Bank receives notice that there is no longer any Bond outstanding, (vi) the date the Bank receives written notice of the substitution of an alternate Letter of Credit in accordance with the Indenture, and (vii) August 18, 1996, which date may be extended pursuant to Section 1.16 hereof.

"Sublease" means the Equipment Sublease Agreement dated as of September 26, 1985, between the Issuer and the Company and all amendments, modifications and supplements thereto.

"Tender Advance" has the meaning set forth in Section 1.03(a) hereof.

"Tender Draft" has the meaning set forth in the Letter of

Credit.

"Term Advance" has the meaning set forth in Section 1.04(a) hereof.

"Term CD Bid Advance" means a Term Advance bearing interest at the Term CD Bid Rate.

"Term CD Bid Rate" during any Interest Period for any Term CD Bid Advance means an interest rate per annum equal at all times during each Interest Period for such Term CD Bid Advance to 3/4 of 1% above the CD Bid Formula.

"Term Eurodollar Advance" means a Term Advance bearing interest at the Term Eurodollar Rate.

"Term Eurodollar Rate" during any Interest Period for any Term Advance means an interest rate per annum equal at all times during each Interest Period for such Term Advance to 5/8 of 1% per annum above the LIBO Rate.

"Term Rate" means an interest rate equal to 1/8 of 1% per annum above the Prime Rate.

"Termination Event" means (i) a Reportable Event described in Section 4043 of ERISA and the regulations issued thereunder (other than a Reportable Event not subject to the provision for 30-day notice to the PBGC under such regulations), or (ii) the withdrawal of the Company or any of its Affiliates from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC, or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Trustee" means United States Trust Company of New York, as trustee under the Indenture.

ARTICLE VII MISCELLANEOUS

SECTION 7.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.02. Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing and mailed, sent or delivered, if to the Company, at its address at 1201 Walnut, Kansas City, Missouri 64106, Attention: Treasurer, facsimile (816)556-2992 and if to the Bank, at its address at 909 Fannin Street, Suite 1700, Houston, Texas, 77010 or facsimile: (713) 951-9921 and a copy to 31 West 52nd Street, New York, New York, 10019, or if to the Trustee, mailed or delivered to it, addressed to it at 114 West 47th Street, New York, New York, 10036 Attention: Corporate Trust Department, facsimile: (212)852-1625 or as to each party, to such other party and/or at such other address as shall be designated by such person in a written notice to the other party. All such notices and communications shall be effective when mailed or sent, addressed as aforesaid, except that notices to the Bank pursuant to the provisions of Article I shall not be effective until received by the Bank, and any notice to the Trustee pursuant to Section 5.02(ii) shall not be effective until received by the Trustee. Notices of any Even of Default shall be sent by the Company to the Bank by facsimile.

SECTION 7.03. No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.04. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted United States accounting principles consistently applied and in effect on the date hereof.

SECTION 7.05. Indemnification. The Company hereby indemnifies and holds the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Bank may incur or which may be claimed against the Bank by any person or entity:

(a) by reason of any inaccuracy in any material respect, or any untrue statement or alleged untrue statement of any material fact, contained in the Preliminary Official Statement or the Official Statement or any amendment or supplement thereto, or by reason of the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading; provided, however, that, in the case of any action or proceeding alleging an inaccuracy in a material respect, or an untrue statement, with respect to information supplied by and describing the Bank in the Preliminary Official Statement or the Official Statement (the "Bank Information"), or an omission or alleged omission to state therein a material fact necessary to make the statements in the Bank Information, in the light of the circumstances under which they were made, not misleading, (i) indemnification by the Company pursuant to this Section 7.05(a) shall be limited to the costs and expenses of the Bank (including reasonable fees and expenses of the Bank's counsel) of defending itself against such allegation, (ii) if in any such action or proceeding it is finally determined that the Bank Information contained an inaccuracy in any material respect or an untrue statement of a material fact or omitted to state therein a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then the Company shall not be required to indemnify the Bank pursuant to this Section 7.05(a) for any claims, damages, losses, liabilities, costs or expenses (including reasonable fees and expenses of counsel) to the extent caused by such inaccuracy, untrue statement or omission, and (iii) if any such action or proceeding shall be settled by the Bank without there being a final determination to the effect described in the preceding clause (ii), then the Company shall be required to indemnify the Bank pursuant to this Section 7.05(a) only if such action or proceeding is settled with the Company's consent; or

(b) by reason of or in connection with the execution, delivery or performance of the Bonds, the Indenture, the Lease or the

Sublease, or any transaction contemplated by the Indenture, the Lease or the Sublease; or

(c) by reason of or in connection with the execution and delivery or transfer of, or payment or failure to make lawful payment under, the Letter of Credit; provided, however, that the Company shall not be required to indemnify the Bank pursuant to this section 7.05(c) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (i) the Bank's wilful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's wilful failure to make lawful payment, under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit.

Nothing in this Section 7.05 is intended to limit the Company's obligations contained in Article I. Without prejudice to the survival of any other obligation of the Company hereunder, the indemnities and obligations of the Company contained in this Section 7.05 shall survive the payment in full of amounts payable pursuant to Article I and the termination of the Letter of Credit.

SECTION 7.06. Liability of the Bank. The Company assumes all risks of the acts or omissions of the Trustee and any beneficiary or transferee of the Letter of Credit with respect to its use of the Letter of Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Letter of Credit or any acts or omissions of the Trustee and any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank against presentation of documents which do not comply with the terms of the Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except that the Company shall have a claim against the Bank, and the Bank shall be liable to the Company, to the extent of any direct, as opposed to consequential, damages suffered by the Company which the Company proves were caused by (i) the Bank's wilful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's wilful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

SECTION 7.07. Costs, Expenses and Taxes. The Company agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, filing, recording and administration of this Agreement and any other documents which may be delivered in connection with this Agreement, including, without limitation, the reasonable costs incurred with each transfer of the Letter of Credit, the reasonable fees and out-of-pocket expenses of counsel for the Bank, and local counsel who may be retained by said counsel, with respect thereto and with respect to advising the Bank as to its rights and responsibilities under this Agreement and all costs and expenses (including reasonable counsel fees and expenses) in connection with (i) the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement or (ii) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit. In addition, the Company shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and such other documents, and agrees to save the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees except for any penalties incurred as a result of the Bank's failure to notify the Company of such stamp or other taxes or fees payable by the Company of which the Bank has knowledge.

SECTION 7.08. Binding Effect. This Agreement shall become effective when it shall have been executed by the Company and the Bank and thereafter shall be binding upon and inure to the benefit of the Company and the Bank and their respective successors and assigns, except that the Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank. The Bank may, at its own expense, assign (by way of participation or otherwise) to any financial institution all or any part of, or any interest (undivided or divided) in, the Bank's rights and benefits under this Agreement and the Letter of Credit, and to the extent of any such assignment, any such assignee shall have the same rights and benefits against the Company hereunder and under the Letter of Credit as it would have had if such assignee were the Bank issuing or paying under the Letter of Credit hereunder.

SECTION 7.09. Collateral. If the Bank shall take or receive any collateral as security for the Company's obligations under this Agreement, the Bank agrees that, until the Letter of Credit shall terminate in accordance with its terms, the security interest in such security will be pledged to the Trustee to secure payment of both the obligations of the Company under this Agreement and the Bonds ratably as to interest in accordance with their respective amounts of interest and ratably as to principal in accordance with their respective amounts of principal, it being understood that the Bank may release or obtain reimbursement or other payments under this Agreement from all or any of such collateral at any time or from time to time without any consent of, notice to, or payment to or for the account of, the Trustee or any holders of the Bonds; provided, however, that such agreement shall terminate and be of no force and effect either (i) when and to the extent that the Bank's taking or receiving of such collateral would not result in the Bank's being released, prevented or restrained from or delayed in fulfilling the Bank's obligation under the Letter of Credit or (ii) if the absence of such agreement would not result in the lowering or suspension by Standard & Poor's Corporation or Moody's Investors Service of its rating of the Bonds.

SECTION 7.10. Waiver. The Bank waives any statutory right which it may have to set off and apply any deposits of the Company or other indebtedness of the Company if, when and after there shall be a drawing under the Letter of Credit during the pendency of any proceeding by or against the Company seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property.

SECTION 7.11. Severability. Any provision of this Agreement which is

prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

SECTION 7.12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 7.13. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

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

KANSAS CITY POWER & LIGHT COMPANY

By _____
Senior Vice President

THE TORONTO-DOMINION BANK

By _____
Title: _____

By _____
Title: _____

EXHIBIT A
TO LETTER OF CREDIT
AND REIMBURSEMENT

IRREVOCABLE LETTER OF CREDIT

No. 1107

August 19, 1993

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

Attention: Corporate Trust Department

Dear Sirs:

We hereby establish at the request and for the account of Kansas City Power & Light Company, a Missouri corporation (the "Company"), in your favor, as Trustee under the Indenture of Trust dated as of September 1, 1985 (the "Indenture") between the City of Burlington, Coffey County, Kansas (the "Issuer") and you, pursuant to which \$56,500,000 in aggregate principal amount of the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985A (Kansas City Power & Light Company Project) (the "Bonds"), are being issued, our Irrevocable Letter of Credit No. 1107 in the amount of \$63,117,465.75 (as more fully described below), effective immediately and expiring at the close of business at our 909 Fannin Street, Suite 1700, Houston, Texas, 77010, office on August 18, 1996, or such later date as we may agree to extend in writing (the "Scheduled Termination Date").

We hereby irrevocably authorize you to draw on us, in an aggregate amount not to exceed the amount of this Letter of Credit as set forth above and in accordance with the terms and conditions and subject to the reductions in amount as hereinafter set forth, as follows:

(1) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex A attached hereto (any such draft accompanied by such certificate being your "Interest Draft"), an amount not exceeding \$6,617,465.75;

(2) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex B attached hereto (any such draft accompanied by such certificate being your "Tender Draft") an aggregate amount not exceeding \$63,117,465.75;

(3) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex C attached hereto (any such draft accompanied by such certificate being your "Redemption Draft"), an aggregate amount not exceeding \$56,500,000;

(4) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex D attached hereto (such draft accompanied by such certificate being your "Purchase Draft"), an aggregate amount not exceeding \$56,500,000;

(5) in a single drawing by your draft, accompanied by your signed and appropriately completed certificate in the form of Annex E attached hereto (such draft accompanied by such certificate being your "Final Draft"), an amount not exceeding \$63,117,465.75.

Upon our honoring any Interest Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Interest Draft, Tender Draft, or Final Draft shall be automatically decreased by an amount equal to the amount of such Interest Draft. If you shall not have received from us within 15 calendar days from the date of such drawing a notice from us to the effect that we have not been reimbursed for such drawing in the form of Annex F attached hereto appropriately completed, the amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Interest Draft, Tender Draft, or Final Draft shall be automatically and irrevocably reinstated in the amount of such drawing, effective the 16th calendar day from the date of such drawing.

Upon our honoring any Redemption Draft or Purchase Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Tender Draft, Redemption Draft, Purchase Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Redemption Draft or Purchase Draft. Upon our honoring any Tender Draft presented by you hereunder, (i) the amount of this Letter of Credit and the amounts available to be drawn by any subsequent Tender Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Tender Draft and (ii) the amounts available to be drawn by any subsequent Redemption Draft and Purchase Draft shall be automatically decreased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying such Tender Draft.

The amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Tender Draft or Final Draft shall be increased when and to the extent, but only when and to the extent, that we are reimbursed by the Company or by you, but only from amounts available to you under the Indenture, on behalf of the Company for amounts drawn hereunder by any Tender Draft or Purchase Draft. The amounts from time to time available to be drawn by you by any Redemption Draft or Purchase Draft shall be increased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying any Tender Draft or paragraph 3 of a Certificate accompanying any Purchase Draft when and to the extent, but only when and to the extent, that we are reimbursed by the Company or by you, but only from amounts available to you under the Indenture, on behalf of the Company for amounts drawn hereunder by any such Tender Draft or Purchase Draft. Any amount received from you on behalf of the Company in reimbursement of amounts drawn hereunder shall, if accompanied by an appropriately completed and signed certificate in the form of Annex H attached hereto from you, be applied to the extent of the amounts indicated therein in reimbursement of unreimbursed drawings under your Tender Drafts or Purchase Drafts. Amounts otherwise received from you on behalf of the Company shall be applied in reimbursement of unreimbursed drawings made by your Interest Draft.

The amount of this Letter of Credit and the amounts available to be drawn by you by any Interest Draft, Tender Draft, Redemption Draft, Purchase Draft, and Final Draft shall be decreased upon our receipt of notice from you, in the form of your written and appropriately completed certificate signed by you in the form of Annex G attached hereto, of a redemption or defeasance of less than all of the Bonds outstanding, to the respective amounts stated in such certificate.

Each draft and certificate shall refer thereon to the number of this Letter of Credit and shall be dated the date of its presentation, and shall be drawn and presented at our office located at 909 Fannin Street, Suite 1700, Houston, Texas, 77010, Attention: Manager, Agency (or any office which may be designated by us by written notice delivered to you). If we receive any of your drafts and certificates at such office (including receipt by facsimile which must be followed by hard copy in overnight mail), all in strict conformity with the terms and conditions of this Letter of Credit, on or prior to the termination hereof and in any event on or before 11:00 a.m. (Houston time) on a Banking Day, we will honor the same by 3:00 p.m. (Houston time) on the same day in accordance with your payment instructions. If we receive any of your drafts and certificates at such office (including receipt by facsimile which must be followed by hard copy in overnight mail), all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (Houston time) on a Banking Day prior to the termination hereof, we will honor the same by 12:00 p.m. (Houston time) on the next succeeding Banking Day in accordance with your payment instructions. If requested by you, payment under this Letter of Credit may be made by wire transfer of immediately available funds to your account in a bank or by deposit of same day funds into a designated account that you maintain with us. The term "Banking Day" means any day of the year other than a Saturday, Sunday or a day on which banks are required or authorized to close in New York City or Houston, Texas. All payments paid under this Letter of Credit shall be paid with our own funds.

Upon the earliest of (i) our honoring your Final Draft presented hereunder, (ii) the surrender to us by you of this Letter of Credit for cancellation, (iii) our honoring your Redemption Draft for all of the Bonds, (iv) the close of business on the tenth day after which we receive written notice from you that all of the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which we receive written notice from you that there is no longer any Bond outstanding, (vi) the date on which we receive written notice from you of the delivery of an alternate letter of credit in accordance with the Indenture, and (vii) the Scheduled Termination Date, this Letter of Credit shall automatically terminate.

This Letter of Credit is transferable in its entirety, but not in part, to any transferee who you certify has succeeded you as Trustee under the Indenture and may be successively transferred by such transferee. Transfer of the available balance under this Letter of Credit to such transferee shall be effected by the presentation to us of this Letter of Credit accompanied by a certificate in the form of Annex I attached hereto appropriately completed. Upon such presentation we shall forthwith transfer the same to your transferee or, if so requested by your transferee, issue an irrevocable letter of credit to your transferee with provisions therein consistent with this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the certificates and the drafts referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts.

To the extent not inconsistent with the express terms hereof, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credit, International Chamber of Commerce, Publication 400 (1983 revision) and, as to matters not covered therein, by the laws of the State of New York, including without limitation the Uniform Commercial Code as in effect in the State of New York. Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at 909 Fannin Street, Suite 1700, Houston, Texas, 77010, Attention: Manager, Agency, specifically referring to the number of this Letter of Credit.

Anything to the contrary in Article 45 of the Uniform Customs notwithstanding this Letter of Credit is intended to remain in full force and effect until it expires in accordance with its terms. Any failure by you or any successor trustee or co-trustee under the Indenture to draw upon this Letter of Credit with respect to a scheduled interest payment on the Bonds in accordance with the terms and conditions of the Indenture shall not cause this Letter of Credit to be unavailable for any future drawing in accordance with the terms and conditions of the Indenture.

Very truly yours,

THE TORONTO-DOMINION BANK

By _____
Title: _____

By _____
Title: _____

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS")

Irrevocable Letter of Credit No. 1107

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to (a) payment(s) of interest on the Bonds, to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive of Section 504 of the Indenture, which payment(s) is [are]** due on the [date on which this Certificate and the Interest Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this Certificate and the Interest Draft it accompanies are being presented to the Bank.]* [CP Dates (as defined in the Indenture) established for the current calendar month]** None of the Bonds, in respect of which such drawing is being made, were registered in the name of the Company on the Record Date within the meaning of the Indenture.

* To be used if the Certificate and Interest Draft are presented not later than 11:00 a.m. (Houston time).

** To be used if the Certificate and Interest Draft are presented after 11:00 a.m. (Houston time).

*** To be used while the Bonds bear interest at the CP Rate.

(3) The amount of the Interest Draft accompanying this Certificate is equal to \$_____. It was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not include any amount of interest on the Bonds which is included in any Final Draft presented on the date of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

Annex B

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A TENDER PURSUANT TO SECTIONS 301, 302, 303, 304 and 305 OF THE INDENTURE.

Irrevocable Letter of Credit No. 1107

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment of (i) the purchase price equal to the unpaid principal amount of the Bonds to be purchased as a result of a tender on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture) pursuant to the terms of Sections 301, 302, 303, 304 and 305 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and (ii) the purchase price equal to the amount of interest accrued and unpaid to the purchase date from the immediately preceding Interest Accrual Date (as defined in the Indenture), to the extent moneys are not available from the sources set forth in clauses (i) through (iv), inclusive, of Section 306 of the Indenture, which payment is due on the [date on which this Certificate and the Tender Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this certificate and the Tender Draft it accompanies are being presented to the Bank.]**

* To be used if the Certificate and Tender Draft are presented not later than 11:00 a.m. (Houston time).

** To be used if the Certificate and Tender Draft are presented after 11:00 a.m. (Houston time).

(3) The amount of the Tender Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be purchased as a result of a tender pursuant to Sections 301, 302, 303, 304, and 305 of the Indenture and (ii) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the accrued and unpaid interest on such Bonds and does not include any amount of interest which is included in any Tender Draft (unless such amount has been reinstated by the Bank) or Final Draft presented on or prior to the date of this Certificate.

(4) The amount of the Tender Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") UPON REDEMPTION

Irrevocable Letter of Credit No. 1107

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon redemption [of all] [less than all]* of the Bonds on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be redeemed pursuant to the terms of Sections 310, 311 or 312 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 504 of the Indenture, which payment is due on the [date on which this Certificate and the Redemption Draft it accompanies are being presented to the Bank]** [Banking Day following the date on which this Certificate and the Redemption Draft it accompanies are being presented to the Bank.]***

* Insert appropriate description.

** To be used if the Certificate and Redemption Draft are presented not later than 11:00 a.m. (Houston time).

*** To be used if the Certificate and Redemption Draft are presented after 11:00 a.m. (Houston time).

(3) The amount of the Redemption Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be redeemed.

(4) The amount of the Redemption Draft accompanying this Certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A PURCHASE

Irrevocable Letter of Credit No. 1107

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be purchased by the Company in lieu of redemption pursuant to the terms of Section 314 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 306 of the Indenture, which payment is due on the [date on which this Certificate and the Purchase Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this Certificate and the Purchase Draft it accompanies are being presented to the Bank.]**

(3) The amount of the Purchase Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be purchased by the Company in lieu of redemption.

(4) The amount of the Purchase Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

* To be used if the Certificate and Purchase Draft are presented not later than 11:00 a.m. (Houston time).

** To be used if the Certificate and Purchase Draft are presented after 11:00 a.m. (Houston time).

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Time]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS"), UPON STATED OR ACCELERATED MATURITY

Irrevocable Letter of Credit No. 1107

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank, (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon stated or accelerated maturity of the unpaid principal amount of, and, to the extent such payment is not due on an Interest Payment Date within the meaning of the Indenture, of accrued and unpaid interest on, all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 504 of the Indenture, which payment is due on [the date on which this Certificate and the Final Draft it accompanies are being presented to the Bank.]* [the Banking Day following the date on which this certificate and the Final Draft it accompanies are being presented to the Bank.]**

(3) The amount of the Final Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of unpaid principal of all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and (ii) \$_____ being drawn in respect of the payment of accrued and unpaid interest on such Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and does not include any amount of interest which is included in any Interest Draft or Tender Draft (unless such amount has been reinstated by the Bank), presented on or prior to the date of this Certificate.

* To be used if the Certificate and Final Draft are presented not later than 11:00 a.m. (Houston time).

** To be used if the Certificate and Final Draft are presented after 11:00 a.m. (Houston time).

(4) The amount of the Final Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Time]

NOTICE THAT TRUSTEE'S RIGHT TO DRAW
UNDER THE LETTER OF CREDIT BY AN
INTEREST DRAFT HAS NOT BEEN REINSTATED

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

Attention: Corporate Trust Department

Irrevocable Letter of Credit No. 1107

Dear Sirs:

You are hereby advised that Kansas City Power & Light Company has not reimbursed us in an amount equal to the amount drawn by you under the Interest Draft dated _____, 19____. Therefore, the amount of our Irrevocable Letter of Credit No. 1107 and the amounts available to be drawn by you by an Interest Draft, Tender Draft, or Final Draft (which available amounts have been decreased by an amount equal to the amount of such Interest Draft) shall not be reinstated in the amount of such Interest Draft.

CERTIFICATE FOR THE REDUCTION OF AMOUNTS AVAILABLE UNDER LETTER OF CREDIT NO. 1107 DATED AUGUST 19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee hereby notifies you that on or prior to the date hereof \$_____ principal amount of the Bonds have been redeemed or defeased and paid pursuant to the Indenture.

(3) Following the redemption or the defeasance and payment referred to in paragraph (2) above, the aggregate principal amount of all of the Bonds outstanding is \$_____.

(4) The maximum amount of interest (computed at 15% per annum), accruing on the Bonds referred to in paragraph (3) above is \$_____.

(5) The amount available to be drawn by the Trustee under the Letter of Credit by any Interest Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (4) above) upon receipt by the Bank of this Certificate.

(6) The amount available to be drawn by the Trustee under the Letter of Credit by any Tender Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.

(7) The amount available to be drawn by the Trustee under the Letter of Credit by any Redemption Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).

(8) The amount available to be drawn by the Trustee under the Letter of Credit by any Purchase Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).

(9) The amount available to be drawn by the Trustee under the Letter of Credit by its Final Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.

(10) The amount of the Letter of Credit is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraph (3) and (5) above) upon receipt by the Bank of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____ 19____.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

CERTIFICATE FOR THE REINSTATEMENT OF AMOUNTS AVAILABLE UNDER IRREVOCABLE LETTER OF CREDIT NO. 1107 DATED AUGUST 19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1107 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The amount of \$_____ paid to you today by the Trustee on behalf of the Company is a payment made to reimburse you pursuant to Section 1.10[(c)]* [(d)]** of the Letter of Credit and Reimbursement Agreement, dated as of August 19, 1993 (the "Reimbursement Agreement"), between the Company and the Bank, for amounts drawn under the Letter of Credit by [Tender Drafts]* [Purchase Drafts].**

(3) Of the amount referred to in paragraph (2), \$_____ represents the principal amount of Bonds resold or to be resold on behalf of the Company.

[(4) Of the amount referred to in paragraph (2), \$_____ represents accrued interest on Bonds calculated in accordance with clause (ii) of Section 1.10(c) of the Reimbursement Agreement.]*

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ___ day of _____, 19__.

UNITED STATES TRUST COMPANY OF NEW YORK,

as Trustee

By _____
[Name and Title]

* To be used in connection with reimbursement for amounts drawn under Tender Drafts.

** To be used in connection with reimbursement for amounts drawn under Purchase Drafts.

INSTRUCTION TO TRANSFER

_____, 19__

Attention: Letter of Credit Operations

Re: Irrevocable Letter of Credit No. 1107

Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to:

[Name of Transferee]

[Address]

all rights of the undersigned beneficiary to draw under the above captioned Letter of Credit (the "Letter of Credit"). The transferee has succeeded the undersigned as Trustee under the Indenture (as defined in the Letter of Credit).

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof; provided, however, that no rights shall be deemed to have been transferred to the transferee until such transfer complies with the requirements of the Letter of Credit pertaining to transfers.

The Letter of Credit is returned herewith and in accordance therewith we ask that this transfer be effective and that you transfer the same to our transferee or that, if so requested by the transferee, you issue a new irrevocable letter of credit in favor of the transferee with provisions consistent with the Letter of Credit.

Very truly yours,

UNITED STATES TRUST COMPANY OF
NEW YORK,

as predecessor Trustee

By _____
[Name and title]

EXHIBIT B
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF COUNSEL FOR THE COMPANY

August 19, 1993

RE: \$56,500,000 City of Burlington, Kansas Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds (Kansas City Power & Light Project) Series 1985A

Kansas City Power & Light Company

Gentlemen:

I am Chief Legal Officer of Kansas City Power & Light Company, a Missouri corporation (the "Company"), and am familiar with the matters relating to the preparation, execution and delivery of a Letter of Credit and Reimbursement Agreement which terms shall include the fee letter executed pursuant to Section 1.11 thereof (the "Reimbursement Agreement") dated as of August 19, 1993, between the Company and The Toronto-Dominion Bank (the "Bank"). Among other things, I have examined:

- (1) a fully executed counterpart of the Reimbursement Agreement;
 - (2) the fully executed Letter of Credit;
 - (3) the fully executed Indenture;
 - (4) the fully executed Lease;
 - (5) the fully executed Sublease;
 - (6) the fully executed Custody Agreement and Amendment No.1 thereto;
 - (7) the Articles of Incorporation of the Company and all amendments thereto (the "Charter");
 - (8) the by-laws of the Company as now in effect (the "By-laws");
- and
- (9) the Company's corporate proceedings and the proceedings before the public utility regulatory commissions of the States of Missouri and Kansas relating to the Reimbursement Agreement and related matters.

I have also examined the originals, or copies certified to my satisfaction, of (i) such other corporate records of the Company, certificates of public officials and of officers of the Company, (ii) the agreements, instruments and documents which affect or purport to affect the obligations of the Company under the Reimbursement Agreement, and (iii) such other agreements, instruments and documents as we have deemed necessary as a basis for the opinions hereinafter expressed. I have assumed the due execution and delivery, pursuant to due authorization, of the Reimbursement Agreement by the Bank. All capitalized terms used herein and defined in the Reimbursement Agreement are used herein as therein defined.

Based upon the foregoing and upon such investigation as I have deemed necessary, I am of the opinion that:

- (1) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.
- (2) The execution, delivery and performance by the Company of the Reimbursement Agreement and each Related Document to which it is a party are within the Company's corporate power, have been duly authorized by all necessary corporate action, do not contravene (i) the Charter or the By-laws, or (ii) any law, rule or regulation applicable to the Company, or (iii) any contractual or legal restriction (including, but not limited to, the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to the Reimbursement Agreement and the Related Documents) upon or with respect to any of its properties. The Reimbursement Agreement and each Related Document to which the Company is a party have been duly executed and delivered on behalf of the Company.
- (3) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into the Reimbursement Agreement, and the commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which the Company is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Kansas Department of Economic Development, the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization, approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body (other than for informational purposes) is required for the due execution, delivery and performance by the Company of the Reimbursement Agreement or any Related Document to which it is a party.
- (4) The Reimbursement Agreement and each Related Document to which the Company is a party are the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.
- (5) Except as disclosed in the Company's Form 10-K for the year 1992, Forms 10-Q for the periods March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of my knowledge, threatened action or proceeding before any court, governmental agency or arbitrator against, directly involving or affecting the Company or any of its subsidiaries, which, in any case, may materially and adversely affect the financial condition or operations of the Company.

The opinions set forth above are subject to the following qualifications:

- (a) The enforceability of the Company's obligations under the

Reimbursement Agreement and each Related Document to which it is a party is subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.

(b) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party, may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

I am not licensed to practice law in the State of New York or the State of Kansas. With respect to the Reimbursement Agreement and the Related Documents and any other document to which the laws of either the State of New York or the State of Kansas are applicable, I have assumed for purposes of this opinion that such laws (other than conflict of laws) are substantially similar to the laws of the State of Missouri. With respect to the conclusions set forth herein, I express no opinions as to any laws other than the laws of the State of Missouri and the Federal laws of the United States.

Very truly yours,

EXHIBIT C
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF BOND COUNSEL

[Letterhead of Chapman and Cutler]

August 19, 1993

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

The Toronto-Dominion Bank
31 West 52nd Street
New York, New York 10019-6101

Re: \$56,500,000 City of Burlington, Kansas Customized Pollution Control
Refunding and Improvement Revenue Bonds, Series 1985A (Kansas City Power
& Light Company Project)

Ladies and Gentlemen:

The above-referenced bonds (the "Bonds") were issued under and are secured by an Indenture of Trust dated as of September 1, 1985 (the "Indenture"), between the City of Burlington, Kansas (the "Issuer") and United States Trust Company of New York, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.

Kansas City Power & Light Company (the "Company") has requested we provide the opinion of Bond Counsel required by Section 4.4(a) of the Series 1985A Equipment Sublease Agreement dated as of September 1, 1985 (the "Sublease") between the Issuer and the Company and Section 505(c) of the Indenture with respect to the issuance of Letter of Credit No. 1107 of even date herewith (the "Letter of Credit") issued by The Toronto-Dominion Bank (the "Bank").

On the basis of our review of the Letter of Credit, the Indenture, the Sublease, photocopies of various counsel opinions dated September 26, 1985 (which have been identified as authentic copies of the original opinions and of which we have assumed the authenticity), and such other documents as we have considered necessary, we are of the opinion that the delivery of the Letter of Credit is authorized under the Sublease and complies with its terms.

We express no opinion as to whether the Letter of Credit is a legal, valid, binding and enforceable obligation of the Bank in accordance with its terms.

Respectfully submitted,

AGBacon

EXHIBIT D
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

ENCUMBRANCES

(a) liens for taxes, assessments or governmental charges not delinquent, liens for workmen's compensation awards and similar obligations not delinquent, and liens for labor, materials or supplies not delinquent;

(b) liens of the character specified in subparagraph (a) above, whether or not delinquent, the validity of which is being contested at the time by the Company in good faith, unless thereby in the opinion of counsel or of the Trustees, as defined in the Mortgage, any of the mortgaged property may be lost or forfeited;

(c) liens, neither assumed by the Company nor on account of which it customarily pays interest, existing upon real estate or rights in or relating to real estate now owned or hereafter acquired or now or hereafter leased by the Company for substation, transmission line, distribution line, pipe line, conduit, storage or right-of-way purposes;

(d) undetermined liens or charges incidental to construction or current operations;

(e) the liens of any judgments in an aggregate amount of not in excess of \$50,000, or the lien of any judgment the execution of which has been stayed or which has been appealed and secured, if necessary, by the filing of an appeal bond, or the lien of any judgment in respect of which moneys in the amount of the judgment have been deposited with the Trustee, as defined in the Mortgage, to be held as part of the trust estate and to be withdrawn only as provided in subdivision (e) of Section 8.01 of the Mortgage;

(f) easements, rights-of-way, licenses, exceptions, reservations or restrictions, and agreements for the joint or common use of property, which do not materially impair the use of the affected property in the operation of the business of the Company;

(g) the right reserved to, or vested in, any municipality or public authority by the terms of any franchise, grant, license or permit, or by any provision of law, to terminate such franchise, grant, license or permit or to purchase or appropriate or recapture or to designate a purchaser of any of the mortgaged property, or to demand and collect from the Company any tax or other compensation for the use of streets, alleys or other public places;

(h) rights reserved to, or vested in, any municipality or public authority to use, control, remove or regulate any property of the Company;

(i) rights reserved to or vested in others to take or receive any part of the electricity, gas, steam or water generated or produced by or from any property of the Company;

(j) zoning laws and ordinances; and

(k) Possible adverse rights or interests and inconsequential defects or irregularities in title which, in the opinion of counsel, may properly be disregarded.

LETTER OF CREDIT AND
REIMBURSEMENT AGREEMENT

between

KANSAS CITY POWER & LIGHT COMPANY

and

SOCIETE GENERALE, CHICAGO BRANCH

dated as of August 19, 1993

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LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT dated as of August 19, 1993, between KANSAS CITY POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Missouri (the "Company"), and SOCIETE GENERALE, CHICAGO BRANCH (the "Bank"). (Unless otherwise indicated, all capitalized terms used herein shall have the meaning referred to or set forth in Article VI hereof.)

WHEREAS, the Company requested the City of Burlington, Coffey County, Kansas (the "Issuer") to issue pursuant to an Indenture of Trust dated as of September 1, 1985 (the "Indenture"), naming United States Trust Company of New York, as trustee (the "Trustee"), \$50,000,000 aggregate principal amount of the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985B (Kansas City Power & Light Company Project) (the "Bonds") to various purchasers (the "Bond Purchasers") to finance the costs of acquisition, construction, and installation of certain air and water pollution control and sewage and solid waste disposal facilities (the "Project") in Coffey County, Kansas; and

WHEREAS, pursuant to an Equipment Lease Agreement (the "Lease") dated as of September 1, 1985, between the Company and the Issuer, the Company has agreed to use the proceeds of the Bonds for the financing of the Project, and the Company will lease the Project to the Issuer, and pursuant to an Equipment Sublease Agreement (the "Sublease") dated as of September 1, 1985, between the Issuer and the Company, the Project will be subleased by the Issuer to the Company for payments to be made by the Company in such amounts and at such times as will be sufficient to timely pay the principal and interest on the Bonds; and

WHEREAS, in order to induce the Bond Purchasers to purchase the Bonds, the Company requested the Long-Term Credit Bank of Japan, Limited, acting by its New York Branch to issue its irrevocable transferable letter of credit (the "Original Letter of Credit") in the amount of \$56,041,095.89 of which \$50,000,000 supports the payment of the principal of the Bonds, and \$6,041,095.89 supports the payment of up to 294 days' accrued interest (computed at 15%) on the Bonds; and

WHEREAS, the Company has requested the Bank to issue an Alternate Letter of Credit (the "Letter of Credit") in accordance with section 4.4(a) of the Sublease to replace the Original Letter of Credit.

NOW, THEREFORE, in consideration of the premises and in order to induce the Bank to issue the Letter of Credit, the parties hereto agree as follows:

ARTICLE I AMOUNT AND TERMS OF THE LETTER OF CREDIT

SECTION 1.01. The Letter of Credit. On the terms and conditions hereinafter set forth, the Bank agrees, upon the request of the Company, to issue the Letter of Credit dated August 19, 1993, to the Trustee in an amount not to exceed \$56,041,095.89 (the "Commitment") and expiring on or before the Scheduled Termination Date.

SECTION 1.02. Reimbursement. (a) Subject to Section 1.03 in the case of a drawing under the Letter of Credit made pursuant to a Tender Draft and Section 1.04 in the case of a drawing under the Letter of Credit made pursuant to a Redemption Draft or a Purchase Draft and Section 1.05 in the case of a drawing under the Letter of Credit made pursuant to an Interest Draft, the Company hereby agrees to pay to the Bank on demand (i) after the Bank shall pay any draft presented under the Letter of Credit a sum equal to the amount so paid under the Letter of Credit, plus (ii) interest on any amount remaining unpaid by the Company to the Bank under clause (i) above from and including the date such draft was paid by the Bank until such amount becomes due, at such fluctuating interest rate per annum as shall be in effect from time to time pursuant to Section 1.06 herein.

SECTION 1.03. Tender Advances and Accrued Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Tender Draft and the conditions set forth in Section 2.03 shall have been fulfilled, that portion of such payment with respect to the amount of unpaid principal of the Bonds under such Tender Draft shall constitute a tender advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being a "Tender Advance" and collectively the "Tender Advances." The Company shall repay the aggregate unpaid principal amount of all Tender Advances on the Scheduled Termination Date. If the Company repays the unpaid principal amount of any Tender Advance before the Scheduled Termination Date, the Bank shall reinstate the Letter of Credit in accordance with the terms of the Letter of Credit. That portion of the payment equal to the accrued interest, if any, on the Bonds under such Tender Draft shall constitute an accrued interest advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being an "Accrued Interest Advance" and collectively the "Accrued Interest Advances." The Company shall repay the unpaid principal amount of any Accrued Interest Advance and accrued interest thereon on the first business day of the next calendar month. If certified to the Bank by the Company as a payment being made pursuant to this Section 1.03(a), upon such repayment, the Bank shall reinstate the Letter of Credit in the principal amount of such Accrued Interest Advance being prepaid. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Tender Advance and each Accrued Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(b) The Company shall pay interest on the unpaid principal amount of each Tender Advance from the date of such Tender Advance until such principal amount shall become due, at the Domestic Rate, the Eurodollar Rate, or the CD Bid Rate, as selected by the Company pursuant to Section 1.08(a). The Company shall pay interest on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, at the Domestic Rate. For purposes of this subsection (b), in order to calculate whether the initial or increased level of the Eurodollar Rate or CD Bid Rate, as the case may be, shall be applicable to a Tender Advance and Accrued Interest Advance made subsequent to the Initial Tender Advance, each such interest rate shall (at all times) be calculated in accordance with the number of Interest Days that have elapsed since the Initial Tender Advance Day. In the event of a prepayment (pursuant to Section 1.10 below) in full at any time of the aggregate unpaid principal amount of all Tender Advances and Accrued Interest Advances outstanding, it is hereby understood in accordance with the applicable definitions contained in Section 6.01 hereof that no Interest Day shall occur between the date of such prepayment and the date of the next Tender Advance, at which time Interest Days shall again be counted, starting with the next consecutive number after the number of the Interest Day on which such prepayment occurred.

SECTION 1.04. Redemption Advances and Purchase Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Redemption Draft and the conditions set forth in Section 2.03 shall have been fulfilled, such payment shall constitute a redemption advance made by the Bank to the Company on the date and in the amount of such payment, each such redemption advance being a "Redemption Advance" and collectively the "Redemption Advances." If the Bank shall make any payment under the Letter of Credit pursuant to a Purchase Draft and the conditions set forth in Section 2.03 shall have been fulfilled, such payment shall constitute a purchase advance made by the Bank to the Company on the date and in the amount of such payment, each such purchase advance being a "Purchase Advance" and collectively the "Purchase Advances." (Purchase Advances together with Redemption Advances are hereinafter sometimes referred to individually as a "Term Advance" and collectively as the "Term Advances.")

(b) The Company shall repay the aggregate unpaid principal amount of all Term Advances on the Scheduled Termination Date. If the Company repays the unpaid principal amount of any Purchase Advance before the Scheduled Termination Date, the Bank shall reinstate the Letter of Credit in accordance with the terms of the Letter of Credit. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Redemption Advance and Purchase Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(c) The Company shall pay interest on the unpaid principal amount of each Term Advance from the date of such Term Advance until such principal amount shall become due, at the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as selected by the Company pursuant to Section 1.08(b). For purposes of this subsection (c), in order to calculate whether the initial or increased level of the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as the case may be, shall be applicable to a Term Advance made subsequent to the initial Term Advance, each such interest rate shall (at all times) be calculated in accordance with the number of Term Interest Days that have elapsed since the Initial Term Advance Day. In the event of a prepayment (pursuant to Section 1.10 below) in full at any time of the aggregate unpaid principal amount of all Term Advances it is hereby understood in accordance with the applicable definitions contained in Section 6.01 hereof that no Term Interest Day shall occur between the date of such prepayment and the date of the next Term Advance, at which time Term Interest Days shall again be counted, starting with the next consecutive number after the number of the Term Interest Day on which such prepayment occurred.

SECTION 1.05. Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to an Interest Draft, such payment shall constitute an interest advance made by the Bank to the Company on the date and in the amount of such payment, each such interest advance being an "Interest Advance" and collectively the "Interest Advances." The Company shall repay each Interest Advance on the same day such Interest Advance is made by the Bank, but in any event after the Bank honors a draw under the Letter of Credit pursuant to an Interest Draft related thereto.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.06. Interest on Overdue Amounts. Any amount payable pursuant to this Agreement which is not paid when due whether by acceleration, required prepayment or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a fluctuating interest rate at all times equal to 2% above the Domestic Rate.

SECTION 1.07. Interest Payments. The Company shall pay interest in arrears on the unpaid principal amount of each Advance from the date of such Advance until such principal amount shall become due, payable (i) quarterly on the last day of each March, June, September and December during the term thereof, and on the due date for payment of principal. The Company shall pay interest in arrears on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, payable on the first business day of the next calendar month.

SECTION 1.08. Selection of Interest Rates. (a) Tender Advances. Subject to Sections 1.09(a) and (b) below, the Company may from time to time select for each Tender Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Domestic Rate, the Eurodollar Rate or the CD Bid Rates, provided that the Company shall also select a Business Day on which the Domestic Rate, the Eurodollar Rate or the CD Bid Rate, as the case may be, shall begin for such Tender Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Domestic Rate and at least two Business Days prior to such Business Day in the case of selection of the CD Bid Rate or the Eurodollar Rate. The interest rate selected for any Tender Advance by the Company pursuant to this Section 1.08(a) shall continue thereafter in effect for such Tender Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Tender Advance. If during the term of any Tender Advance the Company changes the interest rate for such Tender Advance from the Eurodollar Rate or the CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the Interest Period for such Tender Advance. In the event that the Tender Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Domestic Rate.

(b) Term Advances. Subject to Sections 1.09(a) and (b), the Company may from time to time select for each Term Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, provided that the Company shall also select a Business Day on which the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as the case may be, shall begin for such Term Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Term Rate and at least two Business Days prior to such Business Day in the case of selection of the Term CD Bid Rate or the Term Eurodollar Rate. The interest rate selected for any Term Advance by the Company pursuant to this Section 1.08(b) shall continue thereafter in effect for such Term Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Term Advance. If during the term of any Term Advance the Company changes the interest rate for such Term Advance from the Term Eurodollar Rate or the Term CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the interest period for such Term Advance. In the event that the Term Advance shall be in an amount less than \$1,000,000 or the Company shall fail

to select an interest rate, the interest rate shall be the Term Rate.

Section 1.09. Interest Periods. (a) If and so long as the Eurodollar Rate shall be selected for any Tender Advance or the Term Eurodollar Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, and the date of payment in full of such Eurodollar Advance or Term Eurodollar Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such Eurodollar Advance or Term Eurodollar Advance, as the case may be. The initial Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any Eurodollar Advance or Term Eurodollar Advance shall be one, two, three or six months as the Company may, upon telephonic notice given to the Bank at least two Business Days prior to the first day of such Interest Period (such notice to be confirmed by the Company immediately in writing), select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and

(ii) the duration any Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(b) If and so long as the CD Bid Rate shall be selected for any Tender Advance or the Term CD Bid Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such CD Bid Advance or Term CD Bid Advance, as the case may be, and the date of payment in full of such CD Bid Advance or Term CD Bid Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such CD Bid Advance or Term CD Bid Advance, as the case may be. The initial Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any CD Bid Advance or Term CD Bid Advance shall be one, two, three or six months as the Company may, upon telephonic notice given to the Bank (such notice to be confirmed by the Company immediately in writing) at least two Business Days prior to the first day of such Interest Period, select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and

(ii) the duration of any such Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

Section 1.10. Prepayments. (a) The Company may prepay in whole or in part the outstanding amount of any Accrued Interest Advance or Demand Advance with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that the Company shall, simultaneously with the making of such prepayment, give notice to the Bank by telephone (which shall be confirmed immediately in writing) or telegraph of such prepayment, which notice shall specify (i) the amount of such prepayment and (ii) the amount of accrued interest transmitted with such prepayment.

(b) The Company may, upon at least two Business Days' notice to the Bank, prepay the outstanding amount of any Advance in whole or in part with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that any prepayment of any Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance shall be made on, and only on, the last day of any Interest Period for such Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance, as the case may be, unless the Company shall pay to the Bank in accordance with Section 1.12 an amount sufficient to compensate the Bank for any loss or expenses incurred by it by reason of such prepayment on a day other than the last day of the relevant Interest Period; provided, further, that in the case of a prepayment certified to the Bank by the Trustee as a payment made pursuant to subsection (c) of this Section, the Company shall on the date of such prepayment pay interest accrued on such Advance to the date of prepayment, together with an amount sufficient to compensate the Bank for any loss or expenses in accordance with Section 1.12.

(c) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Tender Draft or Tender Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to the sum of (i) that portion of any Tender Advances equal to 100% of the principal amount of any such Bonds resold or to be resold and (ii) that portion of the Accrued Interest Advances (the "Corresponding Accrued Interest Advances") which bears the same ratio to the total unreimbursed Accrued Interest Advances as the principal amount of such Bonds sold or to be resold bears to the principal amount of all such Bonds held by the Custodian on behalf of the Company under the Custody Agreement. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(c), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Tender Advances and the Corresponding Accrued Interest Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(d) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Purchase Draft or Purchase Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to such Purchase Draft or Purchase Drafts. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(d), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Purchase Advances). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(e) Amounts received by the Bank from the Company or the Trustee on behalf of the Company in reimbursement for drawings under the Letter of Credit shall be applied first in reimbursement of any unreimbursed drawings made by an Interest Draft, unless such amounts are accompanied by a certificate as described in subsection (c) or (d) of this Section 1.10 or in Section 1.03(a).

SECTION 1.11. Other Payments. The Company hereby agrees to pay to the

Bank such fees as are set forth in a letter of even date from the Company to the Bank.

SECTION 1.12 Increased Costs. (a) If the implementation of or any change in any law or regulation or in the interpretation by any court or administrative or governmental authority charged with their administration shall either (i) impose, modify or deem applicable any reserve, special deposit, capital adequacy or similar requirement not existing on the date of this Reimbursement Agreement against letters of credit issued by the Bank, or any assets held by, deposits with or for the account of, or commitments by, an office of the Bank in connection with payments by the Bank under the Letter of Credit (including without limitation a request or requirement which affects the manner in which the Bank allocates capital resources to its commitments, including its obligations hereunder); or (ii) impose on the Bank any other condition not existing on the date of this Reimbursement Agreement regarding this Reimbursement Agreement or the Letter of Credit, and the result of any event referred to in clause (i) or (ii) above shall be to (x) increase the cost to the Bank of issuing or maintaining the Letter of Credit (which increase in cost shall be the result of the Bank's reasonable allocation of the aggregate of such cost increases resulting from such events), or (y) reduce any amounts payable by the Company hereunder, or (z) reduce the rate of return on the Bank's capital as a consequence of its obligations hereunder or its issuance and maintenance of the Letter of Credit to a level below that which the Bank could have achieved but for such circumstances, then, upon demand by the Bank, the Company shall pay to the Bank upon demand, in immediately available funds, additional amounts which shall be sufficient to compensate the Bank for such increased cost or reduction in payment or in rate of return. If any such amount is not paid as provided herein, the Company shall pay the Bank interest, payable on demand, at the Domestic Rate on each such amount from the date when payment was due until paid in full. Each demand by the Bank hereunder shall be accompanied by a certificate setting forth in reasonable detail such increased cost or reduction in payment or in rate of return as a result of any event mentioned in clause (i) or (ii) above and shall, absent demonstrable error, be presumptively deemed correct. In determining such amounts, the Bank may use any reasonable commonly accepted averaging and attribution methods.

(b) If, due to (i) conversions of the type of interest rate pursuant to Section 1.08, (ii) prepayments pursuant to Section 1.10 (whether by direct or applied payments), (iii) acceleration of the maturity of the Advances pursuant to Section 5.02, or (iv) any other reason, the Bank receives payments of principal of any Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance, or is subject to a conversion of a Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance into another type of Advance other than on the last day of an Interest Period relating to such Advance, the Company shall, promptly after demand by the Bank, pay to the Bank any amounts required to compensate the Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by the Bank to fund or maintain such Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance. A certificate setting forth the amount of such additional losses, costs or expenses and giving a reasonable explanation thereof, submitted by the Bank to the Company, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

Section 1.13. Additional Interest. The Company shall pay to the Bank additional interest on the unpaid principal amount of each Advance during the periods such Advance shall be a Eurodollar Advance or Term Eurodollar Advance until such principal amount is paid in full, payable on each day on which interest on such Advance is payable under Section 1.07, at an interest rate per annum equal at all times during each Interest Period for such Advance, to the excess of (i) the rate obtained by dividing the LIBO Rate for such Interest Period by a percentage equal to 100% minus the reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or if more than one such percentage is so applicable, minus the daily average for such percentages for those days in such Interest Period during which any such percentage shall be so applicable) for determining the maximum reserve requirement (including, without limitation, any marginal reserve requirement) for the Bank in respect of liabilities or assets consisting of or including Eurocurrency liabilities over (ii) the LIBO Rate for such Interest Period.

Section 1.14. Payments and Computations. The Company, unless directed otherwise, shall make each payment hereunder not later than 11:00 a.m. (Chicago time) on the day when due in lawful money of the United States of America to the Bank, Account #0154644, in same day funds. All computations of interest at the Domestic Rate and the Term Rate shall be made by the Bank on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest at the Eurodollar Rate, the Term Eurodollar Rate, the CD Bid Rate, the Term CD Bid Rate and the letter of credit commission hereunder shall be made by the Bank on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) elapsed.

Section 1.15. Payment on Non-Business Days. Whenever any payment to be made hereunder shall be stated to be due, or whenever the last day of any Interest Period would otherwise occur, on a day which is not a Business Day, such payment shall be made, and the last day of such Interest Period shall occur, on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commission, as the case may be; provided, however, if such extension would cause such payment of a Eurodollar Advance or a Term Eurodollar Advance to be made or the last day of such Interest Period to occur in a new calendar month, such payment shall be made and the last day of such Interest Period shall occur on the next preceding Business Day.

Section 1.16. Extension of the Letter of Credit. If the Company, at least eighteen months prior to the Scheduled Termination Date of the Letter of Credit, has requested the Bank to extend the Letter of Credit, and the Bank is willing to extend the Letter of Credit, the Bank shall give written notice thereof to the Company at least twelve months prior to the Scheduled Termination Date extending such Scheduled Termination Date of the Letter of Credit to a date specified by the Bank. If the Bank shall not so notify the Company, the Bank shall be deemed not to have consented.

SECTION 1.17. Obligations Absolute. The payment obligations of the Company under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

- (i) any lack of validity or enforceability of the Letter of Credit, the Bonds, the Indenture, the Lease, the Sublease, or any other agreement or instrument relating thereto (collectively the "Related Documents");
- (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents;
- (iii) the existence of any claim, set-off, defense or other right which the Company may have at any time against the Trustee, any

beneficiary or any transferee of the Letter of Credit (or any persons or entities for whom the Trustee, any such beneficiary or any such transferee may be acting), the Bank or any other person or entity, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(v) payment by the Bank under the Letter of Credit against presentation of a draft or certificate which does not comply with the terms of the Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided however that such circumstance or happening shall not have been the result of the gross negligence or willful misconduct of the Bank.

ARTICLE II CONDITIONS OF ISSUANCE

SECTION 2.01. Condition Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit is subject to the condition precedent that the Bank shall have received on or before the date of the issuance of the Letter of Credit the following, each dated such day, in form and substance satisfactory to the Bank:

(a) Certified copies of the resolutions of the Board of Directors of the Company authorizing the Company to enter into this Agreement, approving the Letter of Credit and the other matters contemplated hereby.

(b) Originals (or copies certified by the Secretary or Assistant Secretary of the Company) of current approvals or orders of the Issuer and the public utility regulatory commissions of the States of Missouri and Kansas necessary for the Company with respect to this Agreement.

(c) A certificate of the Secretary or Assistant Secretary of the Company, certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the other documents to be delivered by it hereunder.

(d) Opinions of Samuel P. Cowley, Esq., Senior Vice President and Chief Legal Officer for the Company, in substantially the form of Exhibit B hereto and as to such other matters as the Bank may reasonably request.

(e) Opinions of Chapman and Cutler, Bond Counsel, in substantially the form of Exhibit C hereto and as to such other matters as the Bank may reasonably request, including advice from such Bond Counsel to the Bank that the Bank may rely on such opinion.

(f) A transcript relating to the issuance of the Bonds.

(g) Such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates of executed copies thereof) or opinions as the Bank may reasonably request.

(h) An executed copy (or duplicate thereof) of Amendment No. 1 to the Custody Agreement.

SECTION 2.02. Additional Conditions Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit shall be subject to the further conditions precedent that on the date of the issuance of the Letter of Credit:

(a) The following statements shall be true and the Bank shall have received a certificate signed by a duly authorized officer of the Company, dated the date of such issuance, stating that:

(i) the representations and warranties contained in Section 3.01 of this Agreement are correct on and as of the date of issuance of the Letter of Credit as though made on and as of such date; and

(ii) no event has occurred and is continuing, or would result from the issuance of the Letter of Credit, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

(b) The Issuer and the Trustee have duly authorized and executed the Indenture and the Indenture shall continue to be in full force and effect.

(c) The Issuer and the Company have duly authorized and executed the Lease and the Sublease and the Lease and the Sublease shall continue to be in full force and effect.

(d) The Issuer has duly executed, issued and delivered the Bonds.

(e) The Bank shall have received such other approvals, opinions or documents as the Bank may reasonably request.

SECTION 2.03. Condition Precedent to Each Advance. Each payment made by the Bank pursuant to a Tender Draft, a Redemption Draft or a Purchase Draft under the Letter of Credit shall constitute an Advance hereunder only if it shall be true on the date of such payment that no event has occurred and is continuing, or would result from such Advance, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both. Unless the Company shall have otherwise previously advised the Bank in writing, payment by the Bank pursuant to a Tender Draft, a Redemption Draft or a Purchase Draft shall be deemed to constitute a representation and warranty by the Company that on the date of such payment the above statement is true.

ARTICLE III REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties. The Company represents and warrants as follows:

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.

(b) The execution, delivery and performance by the Company of this Agreement and each Related Document to which it is a party are within the Company's corporate powers, have been duly authorized by all necessary corporate action, do not contravene (i) the Company's charter or by-laws or (ii) any law, order, rule, regulation or contractual restriction (including, but not limited to, any restriction in the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to this Agreement and the Related Documents) upon or with respect to any of its properties.

(c) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into this Agreement, and the commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which it is a party, and such order remains in full force and effect in the form issued. Except for the approvals of the Kansas Department of Economic Development, the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained and are in full force and effect, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Company of this Agreement or any Related Document to which it is a party.

(d) This Agreement is, and each Related Document to which the Company is a party when delivered hereunder will be, the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally).

(e) Except as disclosed in the Company's Form 10-K for the year 1992, Forms 10-Q for periods March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of the Company's knowledge, threatened action or investigation or proceeding before any court, governmental agency or arbitrator against or affecting the Company which may materially adversely affect the financial condition or total operations of the Company; provided, however, for purposes of this subsection (e) only, rate proceedings before any regulatory body shall be excluded.

(f) The balance sheet of the Company as at December 31, 1992, and the related statements of income and retained earnings and of changes in financial position of the Company for the fiscal year then ended, certified by Coopers & Lybrand, independent public accountants, copies of which have been furnished to the Bank, and the balance sheet of the Company as at June 30, 1993, and the related statements of retained earnings for the nine months then ended, signed by the Controller of the Company, copies of which are contained in the Company's 10-Q dated as of June 30, 1993, a copy of which has been furnished to the Bank, fairly present the financial condition of the Company as at such respective dates and the results of the operations of the Company for the period ended on such respective dates, all in accordance with generally accepted accounting principles consistently applied, and since June 30, 1993, there has been no material adverse change in the financial condition or total operations of the Company.

(g) Except for information contained therein describing the Bank, as to which no representation is made, the Official Statement (said Official Statement, together with the documents incorporated therein by reference, being the "Official Statement") dated September 26, 1985, of the Issuer relating to the Bonds is, and the Preliminary Official Statement (said Preliminary Official Statement, together with the documents incorporated therein by reference being the "Preliminary Official Statement") dated September 12, 1985, of the Issuer relating to the Bonds as of its date of issue was to the best of the Company's knowledge, and any supplement or amendment to either thereof shall be, accurate in all material respects for the purposes for which its use is, was, or shall be, authorized; and the Official Statement does not, the Preliminary Official Statement as of its date of issue did not to the best of the Company's knowledge, and any such supplement or amendment shall not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they are or were made, not misleading.

(h) No Termination Event has occurred nor is reasonably expected to occur with respect to any Plan.

(i) The Company does not contribute to any Multiemployer Plan and has not incurred any withdrawal liability with respect to any such plan.

ARTICLE IV COVENANTS OF THE COMPANY

SECTION 4.01. Affirmative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will, unless the Bank shall otherwise consent in writing:

(a) Preservation of Corporate Existence, Etc. Preserve and maintain its corporate existence, rights (charter and statutory) and privileges in the state of its incorporation and qualify and remain qualified as a foreign corporation in each jurisdiction in which such qualification is reasonably necessary in view of its business and operations or the ownership of its properties.

(b) Compliance with Laws, Etc. Comply in all respects with all applicable laws, rules, regulations and orders of any governmental authority, the non-compliance with which would materially and adversely affect the financial condition or operations of the Company, such compliance to include, without limitation, paying before the same become delinquent all material taxes, assessments and governmental charges imposed upon it or upon its property, except to the extent compliance with any of the foregoing is then being contested in good faith.

(c) Maintenance of Insurance. Maintain insurance with responsible and reputable insurance companies or associations or through its own program of self-insurance in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Company operates.

(d) Visitation Rights. At any reasonable time and from time to time, permit the Bank or any of its agents or representatives at their

own expense to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and to discuss the affairs, finances and accounts of the Company with any of its officers.

(e) Keeping of Books. Keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company in accordance with generally accepted accounting principles consistently applied.

(f) Maintenance of Properties. Maintain and preserve its properties that are necessary to maintain its operating system in good working order and condition, ordinary wear and tear excepted.

(g) Reporting Requirements. Furnish to the Bank the following: (i) as soon as possible, and in any event within 3 days after the occurrence of each Event of Default or each event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default, continuing on the date of such statement, a statement of the chief financial officer (or in his absence, a principal financial officer) of the Company setting forth details of such Event of Default or event and the action which the Company proposes to take with respect thereto; (ii) as soon as available and in any event within 10 days after the filing of each quarterly report on Form 10-Q by the Company with the Securities and Exchange Commission, a copy of each such quarterly report, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iii) as soon as available and in any event within 10 days after the filing of each annual report on Form 10-K by the Company with the Securities and Exchange Commission, a copy of each such annual report containing financial statements for such year certified by nationally recognized independent public accountants, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iv) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Company sends to any of its stockholders, and copies of all regular, periodic and special reports and all registration statements, which the Company files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor; (v) as soon as possible and in any event within (A) 30 days after the Company or any of its Affiliates knows or has reason to know that any Termination Event described in clause (i) of the definition of Termination Event with respect to any Plan has occurred and (B) within 10 days after the Company or any of its Affiliates knows or has reason to know that any other Termination Event with respect to any Plan has occurred, a statement of the chief accounting officer (or in his absence a principal financial officer) of the Company describing such Termination Event and the action, if any, which the Company or such Affiliate proposes to take with respect thereto; (vi) promptly and in any event within two Business Days after receipt thereof by the Company or any of its Affiliates from the Pension Benefit Guaranty Corporation ("PBGC"), copies of each notice received by the Company or any such Affiliate of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan; and (vii) such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Company as the Bank may from time to time reasonably request in writing.

(h) Officer's Certificate. In the event that an Advance is made pursuant to Sections 1.03 or 1.04 hereunder, the Company shall deliver to the Bank every ninety (90) days commencing ninety (90) days from the date such Advance is made until all outstanding Advances have been paid in full, a certificate signed by a duly authorized officer of the Company stating that the representations and warranties contained in Section 3.01 (other than subsection (g)) are correct on and as of such date as though made on and as of such date and subsection (g) of Section 3.01 was correct on the date of this Agreement.

(i) Other Agreements. Perform and comply with each of the terms, provisions and conditions, on its part to be performed or complied with, contained in the Indenture, the Lease and the Sublease.

(j) Redemption or Defeasance of Bonds. Use its best efforts to cause the Trustee, (A) upon a redemption or defeasance of less than all of the Bonds pursuant to the Indenture, to furnish to the Bank a notice in the form of Annex G to the Letter of Credit, and (B) upon a redemption or defeasance of all of the Bonds pursuant to the Indenture, to surrender the Letter of Credit to the Bank for cancellation.

(k) Registration of Bonds. Cause all bonds which it acquires, or which it has acquired for its account, to be registered forthwith in accordance with the Indenture in the name of the Company.

SECTION 4.02. Negative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will not, without the written consent of the Bank:

(a) Liens, Etc. Create, incur, assume or suffer to exist any lien, security interest or other charge or encumbrance, or any other type of preferential arrangement, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign any right to receive income, in each case to secure any Obligation of any person, other than (i) purchase money liens or purchase money security interests upon or in any property acquired or held by the Company in the ordinary course of business to secure the purchase price of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property, (ii) liens or security interests existing on such property at the time of its acquisition, (iii) liens, security interests, charges or encumbrances on or over, gas, oil, coal, fissionable material or other fuel or fuel products as security for an Obligation incurred by the Company for the sole purpose of financing the acquisition or storage of such fuel or fuel products or, with respect to nuclear fuel, the processing, reprocessing, sorting, storage and disposal thereof, (iv) liens, security interests, charges or encumbrances on or over all or any part of its undertaking or assets employed wholly or mainly in or arising directly from any specific construction project or generating plant as security for an Obligation incurred by the Company for the purpose of financing all or any part of such construction project or generating plant, (v) the lien of the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946, from the Company to Continental Illinois National Bank and Trust Company of Chicago and the lien of the General Mortgage Indenture and Deed of Trust dated December 1, 1986, from the Company to United Missouri Bank, n.a. (the "Mortgages"), (vi) encumbrances listed on Exhibit D attached hereto, (vii) security interests granted in, or sale of, the Company's accounts receivable, provided that such security interest secures only new debt incurred at substantially the same time as the creation of such security interest and that any such sale is made only for new

consideration given at substantially the same time as the making of such sale, (viii) a second mortgage granted on the property subject to the lien of the Mortgage as of the date hereof, and (ix) sales or transfers of property by the Company and renting or leasing back such property, provided that all such property in the aggregate does not exceed fifteen percent (15%) of all the Company's assets.

(b) Mergers, Etc. Merge with or into or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) or acquire all or substantially all of the assets, other than utility assets, of, any person or entity, except that the Company may merge or consolidate with any person or entity on condition in each case that, (i) immediately after giving effect thereto, no event shall occur and be continuing which constitutes an Event of Default or which with the giving of notice or lapse of time, or both, would constitute an Event of Default, (ii) the consolidation or merger shall not materially and adversely affect the ability of the Company to perform its obligations hereunder or under the Related Documents, and (iii) the corporation formed by any such consolidation or into which the Company shall be merged shall assume the Company's obligations and performance of the Company's covenants hereunder and under the Related Documents in a writing satisfactory in form and substance to the Bank.

(c) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or, except as otherwise permitted under Section 4.02(a), pledge or otherwise encumber more than fifteen percent (15%) of its assets, except in the ordinary course of its business or in connection with a transaction authorized by subsection (b) of this Section 4.02.

(d) Compliance with ERISA. (i) Voluntarily terminate any Plan, so as to result in any material liability of the Company to PBGC or (ii) enter into any Prohibited Transaction (as defined in Section 4975 of the Internal Revenue Code of 1954, as amended, and in ERISA) involving any Plan which results in any material liability of the company to PBGC, (iii) cause any occurrence of any Reportable Event which results in any material liability of the Company to PBGC or (iv) allow or suffer to exist any other event or condition known to the Company which results in any material liability of the Company to PBGC.

(e) Amendment of Indenture or Related Document. Enter into or consent to any amendment or modification of, the Indenture, the Lease, the Sublease or any other Related Document, which would adversely affect the Bank, without first obtaining the express prior written consent of the Bank thereto.

ARTICLE V EVENTS OF DEFAULT

SECTION 5.01. Events of Default. The occurrence of any of the following events shall be an "Event of Default" hereunder unless waived by the Bank pursuant to Section 7.01 hereof:

(a) the Company shall fail to pay any amount payable to the Bank under any provision of Article I when due except as provided in (b) below; or

(b) the Company shall fail to pay any amount of an Interest Advance within one (1) day after such amount becomes due; or

(c) any representation or warranty made by the Company herein or by the Company (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(d) the Company shall fail to perform or observe any other term, covenant or agreement contained in this Agreement, and any such failure shall remain unremedied for 10 days after written notice thereof shall have been given to the Company by the Bank; or

(e) any material provision of this Agreement shall at any time for any reason cease to be valid and binding upon the Company, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Company, or a proceeding shall be commenced by any governmental agency or authority having jurisdiction over the Company seeking to establish the invalidity or unenforceability thereof, or the Company shall deny that it has any or further liability or obligation under this Agreement; or

(f) the Company shall (x) fail to make any payment, equal to or exceeding \$10,000,000 of any Obligation or to make any payment, equal to or exceeding \$5,000,000, of any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Obligation, or (y) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Obligation when required to be performed or observed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of, the maturity of any Obligation, the unpaid principal amount of which then equals or exceeds \$10,000,000; or

(g) the Company shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or

(h) the Company shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, reorganization or insolvency or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property; or the Company shall take any corporate action to authorize any of the actions described above in this subsection (h); or

(i) any proceeding shall be instituted against the Company seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement or adjustment of debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a trustee, receiver or custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Company in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days; or

(j) any judgement or order for the payment of money in excess of \$10,000,000 shall be rendered against the Company and either (x) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (y) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(k) any Termination Event with respect to a Plan shall have occurred, and, 30 days after notice thereof shall have been given to the Company by the Bank, (i) such Termination Event (if correctable) shall not have been corrected and (ii) the then present value of such Plan's vested benefits exceeds the then current value of assets accumulated in such Plan by more than the amount of \$15,000,000 (or in the case of a Termination Event involving the withdrawal of a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), the withdrawing employer's proportionate share of such excess exceed such amount); or

(l) any event of default under and as defined in the Indenture, the Lease or the Sublease shall have occurred and be continuing.

SECTION 5.02. Upon an Event of Default. If any Event of Default has occurred and be continuing, the Bank may (i) by notice to the Company, declare the obligation of the Bank to issue the Letter of Credit to be terminated, whereupon the same shall forthwith terminate, or if the Letter of Credit shall have been issued, (ii) give notice to the Trustee pursuant to Section 802 of the Indenture directing the Trustee to declare the principal of all Bonds then outstanding and all interest accrued and unpaid thereon to be due and payable and (iii) declare the Advances, all amounts payable under any provision of Article I, all interest thereon and all other amounts payable hereunder to be forthwith due and payable, whereupon the Advances, all amounts payable under any provision of Article I, all interest thereon and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Company.

ARTICLE VI DEFINITIONS

SECTION 6.01. Definitions. Unless otherwise indicated in this Agreement, the capitalized terms used herein shall have the following meanings:

"Accrued Interest Advance" has the meaning set forth in Section 1.03(a) hereof.

"Advances" means, collectively, Tender Advances, Accrued Interest Advances, Redemption Advances and Purchase Advances, and an "Advance" means any of them.

"Affiliate" means any trade or business (whether or not incorporated) which is a member of a group of which the Company is a member and which is under common control within the meaning of the regulations under Section 414 of the Internal Revenue Code of 1954, as amended.

"Assessment Rate" for any Interest Period for any CD Bid Advance or Term CD Bid Advance means the annual assessment rate per annum estimated by the Bank on the first day of such Interest Period for determining the then current annual assessment payable by any participants to the Federal Deposit Insurance Corporation (or any successor) for such Corporation's (or such successor's) insuring U.S. dollar deposits of such participants in the United States.

"Available Amount" in effect at any time means the maximum amount available to be drawn at such time under the Letter of Credit (the determination of such maximum amount to assume, throughout this Agreement, compliance with all conditions for drawing and no reduction for any amount drawn by an Interest Draft referred to in the Letter of Credit (unless such amount is not reinstated under the Letter of Credit)).

"Bonds" means the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985B (Kansas City Power & Light Company Project).

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City or Chicago, and, if the applicable Business Day relates to any Eurodollar Advance, Term Eurodollar Advance, or Interest Period therefor, on which dealings are carried on in the London interbank market.

"CD Bid Advance" means a Tender Advance bearing interest at the CD Bid Rate.

"CD Bid Rate" during any Interest Period for any CD Bid Advance means an interest rate per annum equal to (i) 1/2 of 1% per annum above the CD Bid Formula from and including the Initial Tender Advance Day to but excluding the sixtieth Interest Day and (ii) 5/8 of 1% per annum above the CD Bid Formula from and including the sixtieth Interest Day to but excluding the scheduled Termination Date.

"CD Bid Formula" shall mean a rate equal to the sum of (x) the rate of interest equal to the per annum rate determined by the Bank at 9:00 a.m. Chicago time (or as soon thereafter as practicable) on the first day of the applicable Interest Period, of certificates of deposit with maturities identical to the duration of such Interest Period, plus (y) the Assessment Rate divided by (z) one hundred percent (100%) minus the Reserve Percentage.

"Commitment" has the meaning set forth in Section 1.01 hereof.

"Company" means Kansas City Power & Light Company, a corporation organized and existing under the laws of the State of Missouri.

"Corresponding Accrued Interest Advances" has the meaning set forth in Section 1.10(c) hereof.

"Custodian" means United States Trust Company of New York, as custodian under the Custody Agreement.

"Custody Agreement" means the Custody Agreement dated as of September 1, 1985, between the Company and the Custodian and all amendments, modifications and supplements thereto.

"Domestic Advance" means a Tender Advance bearing interest at the Domestic Rate.

"Domestic Rate" means an interest rate equal to the higher of (i) the Prime Rate and (ii) the Fed Funds Rate plus 1/2 of 1% per annum.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurodollar Advance" means a Tender Advance bearing interest at the Eurodollar Rate.

"Eurodollar Rate" during any Interest Period for any Tender Advance means an interest rate per annum equal at all times during each Interest Period for such Tender Advance to (i) 3/8 of 1% per annum above the LIBO Rate from and including the Initial Tender Advance Day to but excluding the sixtieth Interest Day and (ii) 1/2 of 1% per annum above the LIBO Rate from and including the sixtieth Interest Day to but excluding the Scheduled Termination Date.

"Event of Default" shall have the meaning set forth in Section 5.01 hereof.

"Fed Funds Rate" for any day means the effective federal funds rate published by the Federal Reserve Bank of New York for such date. If no such rate is published by the Federal Reserve Bank, such rate shall be the average of the quotations for such day on overnight Federal funds transactions received by the Bank from three Federal funds brokers of recognized standing selected by the Bank. If such day is not a Business Day, the rate for such day shall be the rate determined for the immediately preceding Business Day.

"Final Draft" has the meaning set forth in the Letter of Credit.

"Indenture" means the Indenture of Trust dated as of September 1, 1985, between the Issuer and United States Trust Company of New York, as trustee and all amendments, modifications and supplements thereto.

"Initial Tender Advance Day" means the Interest Day on which the initial Tender Advance is made.

"Initial Term Advance Day" means the Term Interest Day on which the initial Term Advance is made.

"Interest Advance" has the meaning set forth in Section 1.05(a) hereof.

"Interest Day" means a day on which one or more Tender Advances are outstanding.

"Interest Draft" has the meaning set forth in the Letter of Credit.

"Interest Period" has the meaning set forth in Section 1.09(a) hereof.

"Issuance Date" has the meaning set forth in Section 1.11 hereof.

"Interest Payment Date" has the meaning set forth in the Indenture.

"Issuer" means the City of Burlington, Kansas.

"Lease" means the Equipment Lease Agreement dated as of September 26, 1985, between the Issuer and the Company, and all amendments, modifications and supplements thereto.

"Letter of Credit" means the irrevocable, transferable letter of credit issued by the Bank in substantially the form of Exhibit A hereto and any successor letter of credit as provided in such letter of credit.

"LIBO Rate" for any Interest Period means the rate of interest per annum at which deposits in United States dollars are offered to the Bank at its London, England branch by prime banks in the London Interbank Market for a period equal to the duration of the Eurodollar Interest Period relating to any Advance at or about 11:00 a.m. (London time) two Business Days before the first day of such Interest Period.

"Mortgage" has the meaning set forth in Section 4.02(a) hereof.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Obligation" of any person or entity means (i) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such person otherwise assures a creditor against loss, (ii) obligations under leases in respect of which obligations such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such person otherwise assures a creditor against loss, and (iii) liabilities in respect of unfunded vested benefits under each Plan maintained for employees of such person and covered by Title IV of ERISA.

"Official Statement" has the meaning set forth in Section 3.01(g).

"Plan" means an employee benefit plan (other than a Multiemployer Plan) maintained for employees of the Company or any Affiliate and covered by Title IV of ERISA.

"Preliminary Official Statement" has the meaning set forth in Section 3.01(g).

"Prime Rate" means the interest rate per annum from time to time designated by the Bank at its principal office in Chicago, Illinois, as its prime rate whether or not such prime rate is actually charged by the Bank, with all charges therein to be effective on the date announced.

"Purchase Advance" has the meaning set forth in Section 1.04(a) hereof.

"Purchase Draft" has the meaning set forth in the Letter of Credit.

"Redemption Advance" has the meaning set forth in Section 1.04(a) hereof.

"Redemption Draft" has the meaning set forth in the Letter of Credit.

"Related Documents" has the meaning set forth in Section 1.17(i) hereof.

"Reserve Percentage" for any Interest Period for any CD Bid Advance or Term CD Bid Advance is that percentage which is specified on the first day of such Interest Period by the Board of Governors of the

Federal Reserve System (or any successor) for determining the maximum reserve requirement for the Bank with respect to liabilities consisting of or including (among other liabilities) U.S. dollar nonpersonal time deposits in the United States in an amount of \$1,000,000 or more and with a maturity equal to such Interest Period, together with any marginal, emergency, supplemental, special or other reserve that the Bank, in its sole discretion, determines that it is required to maintain on such day for deposits with a maturity equal to such Interest Period.

"Scheduled Termination Date" means the earliest of (i) the date on which the Trustee surrenders the Letter of Credit for cancellation, (ii) the date on which the Bank honors a Redemption Draft for all the Bonds, (iii) the date on which the Bank honors a Final Draft, (iv) the tenth day after the Bank receives written notice that all the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which the Bank receives notice that there is no longer any Bond outstanding, (vi) the date the Bank receives written notice of the substitution of an alternate Letter of Credit in accordance with the Indenture, and (vii) August 18, 1996, unless extended pursuant to Section 1.16 hereof.

"Sublease" means the Equipment Sublease Agreement dated as of September 26, 1985, between the Issuer and the Company and all amendments, modifications and supplements thereto.

"Tender Advance" has the meaning set forth in Section 1.03(a) hereof.

"Tender Draft" has the meaning set forth in the Letter of Credit.

"Term Advance" has the meaning set forth in Section 1.04(a) hereof.

"Term CD Bid Advance" means a Term Advance bearing interest at the Term CD Bid Rate.

"Term CD Bid Rate" during any Interest Period for any Term CD Bid Advance means an interest rate per annum equal at all times during each Interest Period for such Term CD Bid Advance to (i) 3/4 of 1% above the CD Bid Formula from and including the Initial Term Advance Day to but excluding the sixtieth Term Interest Day, and (ii) 1% above the CD Bid Formula from and including the sixtieth Term Interest Day to but excluding the Scheduled Termination Date.

"Term Eurodollar Advance" means a Term Advance bearing interest at the Term Eurodollar Rate.

"Term Eurodollar Rate" during any Interest Period for any Term Advance means an interest rate per annum equal at all times during each Interest Period for such Term Advance to (i) 5/8 of 1% per annum above the LIBO Rate from and including the Initial Term Advance Day to but excluding the sixtieth Term Interest Day, and (ii) 7/8 of 1% per annum above the LIBO Rate from and including the sixtieth Term Interest Day to but excluding the Scheduled Termination Date.

"Term Interest Day" means a day on which one or more Term Advances are outstanding.

"Term Rate" means an interest rate equal to (i) 1/8 of 1% per annum above the Prime Rate from and including the Initial Term Advance Day to but excluding the sixtieth Term Interest Day and (ii) 3/8 of 1% per annum above the Prime Rate from and including the sixtieth Term Interest Day to but excluding the Scheduled Termination Date.

"Termination Event" means (i) a Reportable Event described in Section 4043 of ERISA and the regulations issued thereunder (other than a Reportable Event not subject to the provision for 30-day notice to the PBGC under such regulations), or (ii) the withdrawal of the Company or any of its Affiliates from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC, or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Trustee" means United States Trust Company of New York, as trustee under the Indenture.

ARTICLE VII MISCELLANEOUS

SECTION 7.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. The Company will give notice to Moody's Investor Service of any material amendment to this Agreement.

SECTION 7.02. Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing and mailed, sent or delivered, if to the Company, at its address at 1201 Walnut, Kansas City, Missouri 64106 Attention: Treasurer, facsimile (816)556-2992 and if to the Bank, at its address at 181 West Madison, Suite 3400, Chicago, Illinois 60602 Attention: Letter of Credit Operations, facsimile (312)578-5099 or if to the Trustee, mailed or delivered to it, addressed to it at 114 West 47th Street, New York, New York, 10036 Attention: Corporate Trust Department, facsimile: (212)852-1625; or as to each party, to such other party and/or at such other address as shall be designated by such person in a written notice to the other party. All such notices and communications shall be effective when mailed or sent, addressed as aforesaid, except that notices to the Bank pursuant to the provisions of Article I shall not be effective until received by the Bank, and any notice to the Trustee pursuant to Section 5.02(ii) shall not be effective until received by the Trustee. Notices of any Event of Default shall be sent by the Company to the Bank by facsimile.

SECTION 7.03. No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.04. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted United States accounting principles consistently applied.

SECTION 7.05. Indemnification. The Company hereby indemnifies and

holds the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Bank may incur or which may be claimed against the Bank by any person or entity:

(a) by reason of any inaccuracy in any material respect, or any untrue statement or alleged untrue statement of any material fact, contained in the Preliminary Official Statement or the Official Statement or any amendment or supplement thereto, or by reason of the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading; provided, however, that, in the case of any action or proceeding alleging an inaccuracy in a material respect, or an untrue statement, with respect to information supplied by and describing the Bank in the Preliminary Official Statement or the Official Statement (the "Bank Information"), or an omission or alleged omission to state therein a material fact necessary to make the statements in the Bank Information, in the light of the circumstances under which they were made, not misleading, (i) indemnification by the Company pursuant to this Section 7.05(a) shall be limited to the costs and expenses of the Bank (including reasonable fees and expenses of the Bank's counsel) of defending itself against such allegation, (ii) if in any such action or proceeding it is finally determined that the Bank Information contained an inaccuracy in any material respect or an untrue statement of a material fact or omitted to state therein a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then the Company shall not be required to indemnify the Bank pursuant to this Section 7.05(a) for any claims, damages, losses, liabilities, costs or expenses (including reasonable fees and expenses of counsel) to the extent caused by such inaccuracy, untrue statement or omission, and (iii) if any such action or proceeding shall be settled by the Bank without there being a final determination to the effect described in the preceding clause (ii), then the Company shall be required to indemnify the Bank pursuant to this Section 7.05(a) only if such action or proceeding is settled with the Company's consent; or

(b) by reason of or in connection with the execution, delivery or performance of the Bonds, the Indenture, the Lease or the Sublease, or any transaction contemplated by the Indenture, the Lease or the Sublease; or

(c) by reason of or in connection with the execution and delivery or transfer of, or payment or failure to make lawful payment under, the Letter of Credit; provided, however, that the Company shall not be required to indemnify the Bank pursuant to this section 7.05(c) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (i) the Bank's willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's willful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit.

Nothing in this Section 7.05 is intended to limit the Company's obligations contained in Article I. Without prejudice to the survival of any other obligation of the Company hereunder, the indemnities and obligations of the Company contained in this Section 7.05 shall survive the payment in full of amounts payable pursuant to Article I and the termination of the Letter of Credit.

SECTION 7.06. Liability of the Bank. The Company assumes all risks of the acts or omissions of the Trustee and any beneficiary or transferee of the Letter of Credit with respect to its use of the Letter of Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Letter of Credit or any acts or omissions of the Trustee and any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank against presentation of documents which do not comply with the terms of the Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except that the Company shall have a claim against the Bank, and the Bank shall be liable to the Company, to the extent of any direct, as opposed to consequential, damages suffered by the Company which the Company proves were caused by (i) the Bank's willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's willful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

SECTION 7.07. Costs, Expenses and Taxes. The Company agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, filing, recording and administration of this Agreement and any other documents which may be delivered in connection with this Agreement, including, without limitation, the reasonable costs incurred with each transfer of the Letter of Credit, the reasonable fees and out-of-pocket expenses of counsel for the Bank, and local counsel who may be retained by said counsel, with respect thereto and with respect to advising the Bank as to its rights and responsibilities under this Agreement and all costs and expenses (including reasonable counsel fees and expenses) in connection with (i) the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement or (ii) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit. In addition, the Company shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and such other documents, and agrees to save the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees except for any penalties incurred as a result of the Bank's failure to notify the Company of such stamp or other taxes or fees payable by the Company of which the Bank has knowledge.

SECTION 7.08. Binding Effect. This Agreement shall become effective when it shall have been executed by the Company and the Bank and thereafter shall be binding upon and inure to the benefit of the Company and the Bank and their respective successors and assigns, except that the Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank. The Bank may, at its own expense, assign (by way of participation or otherwise) to any financial institution all or any part of, or any interest (undivided or divided) in, the Bank's rights and benefits under this Agreement and the Letter of Credit, and to the extent of that assignment such assignee shall have the same rights and benefits against the Company hereunder and under the Letter of Credit as it would have

had if such assignee were the Bank issuing or paying under the Letter of Credit hereunder.

SECTION 7.09. Waiver. The Bank waives any statutory right or other right which it may have to set off and apply any deposits of the Company or other indebtedness of the Company if, when and after there shall be a drawing under the Letter of Credit during the pendency of any proceeding by or against the Company seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property.

SECTION 7.10. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

SECTION 7.11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois.

SECTION 7.12. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

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

KANSAS CITY POWER & LIGHT COMPANY

By _____
Senior Vice President

SOCIETE GENERALE, CHICAGO BRANCH

By _____
Title: _____

By _____
Title: _____

EXHIBIT A
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

IRREVOCABLE LETTER OF CREDIT

No. IC70349

August 19, 1993

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

Attention: Corporate Trust Department

Dear Sirs:

We hereby establish at the request and for the account of Kansas City Power & Light Company, a Missouri corporation (the "Company"), in your favor, as Trustee under the Indenture of Trust dated as of September 1, 1985, (the "Indenture") between the City of Burlington, Coffey County, Kansas (the "Issuer") and you, pursuant to which \$50,000,000 in aggregate principal amount of the Issuer's Customized Purchase Pollution Control Refunding and Improvement Revenue Bonds, Series 1985B (Kansas City Power & Light Company Project) (the "Bonds"), are being issued, our Irrevocable Letter of Credit No. IC70349, in the amount of \$56,041,095.89 (as more fully described below), effective immediately and expiring at the close of business at our 181 West Madison, Suite 3400, Chicago, Illinois, 60602 office on August 18, 1996 or such later date as we may agree to extend in writing (the "Scheduled Termination Date").

We hereby irrevocably authorize you to draw on us, in an aggregate amount not to exceed the amount of this Letter of Credit as set forth above and in accordance with the terms and conditions and subject to the reductions in amount as hereinafter set forth, as follows:

(1) in one or more drawings (subject to the next succeeding paragraph) by one or more of your drafts, accompanied by your signed and appropriately completed certificate in the form of Annex A attached hereto (any such draft accompanied by such certificate being your "Interest Draft"), an amount not exceeding \$6,041,095.89;

(2) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex B attached hereto (any such draft accompanied by such certificate being your "Tender Draft"), an aggregate amount not exceeding \$56,041,095.89;

(3) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex C attached hereto (any such draft accompanied by such certificate being your "Redemption Draft"), an aggregate amount not exceeding \$50,000,000;

(4) in one or more drawings by one or more of your drafts, accompanied by your signed and appropriately completed certificate in the form of Annex D attached hereto (such draft accompanied by such certificate being your "Purchase Draft"), an aggregate amount not exceeding \$50,000,000;

(5) in a single drawing by your draft, accompanied by your signed and appropriately completed certificate in the form of Annex E attached hereto (such draft accompanied by such certificate being your "Final Draft"), an amount not exceeding \$56,041,095.89.

Upon our honoring any Interest Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Interest Draft, Tender Draft, or Final Draft shall be automatically decreased by an amount equal to the amount of such Interest Draft. If you shall not have received from us within 15 calendar days from the date of such drawing a notice from us to the effect that we have not been reimbursed for such drawing in the form of Annex F attached hereto appropriately completed, your right to draw on us by any Interest Draft, Tender Draft or Final Draft shall be automatically and irrevocably reinstated in the amount of such drawing, effective the 16th calendar day from the date of such drawing.

Upon our honoring any Redemption Draft or Purchase Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Tender Draft, Redemption Draft, Purchase Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Redemption Draft or Purchase Draft. Upon our honoring any Tender Draft presented by you hereunder, (i) the amount of this Letter of Credit and the amounts available to be drawn by any subsequent Tender Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Tender Draft and (ii) the amounts available to be drawn by any subsequent Redemption Draft and Purchase Draft shall be automatically decreased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying such Tender Draft.

The amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Tender Draft, or Final Draft shall be increased when and to the extent, but only when and to the extent, that we are reimbursed by the Company or by you, but only from amounts available to you under the Indenture, on behalf of the Company for amounts drawn hereunder by any Tender Draft or Purchase Draft, and that we receive a certificate in the form of Annex H hereto setting forth the amount of such reimbursement. The amounts from time to time available to be drawn by you by any Redemption Draft or Purchase Draft shall be increased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying any Tender Draft or paragraph 3 of a Certificate accompanying any Purchase Draft when and to the extent, but only when and to the extent, that we are reimbursed by the Company or by you, but only from amounts available to you under the Indenture, on behalf of the Company for such amount drawn hereunder by any such Tender Draft or Purchase Draft, and that we receive a certificate in the form of Annex H hereto setting forth the amount of such reimbursement. Any amount received from you on behalf of the Company in reimbursement of amounts drawn hereunder shall, if

accompanied by an appropriately completed and signed certificate in the form of Annex H attached hereto from you, be applied to the extent of the amounts indicated therein in reimbursement of unreimbursed drawings under your Tender Drafts or Purchase Drafts. Amounts otherwise received from you on behalf of the Company shall be applied in reimbursement of unreimbursed drawings made by your Interest Draft.

The amount of this Letter of Credit and the amounts available to be drawn by you by any Interest Draft, Tender Draft, Redemption Draft, Purchase Draft, and Final Draft shall be decreased upon our receipt from you, of your written and appropriately completed certificate signed by you in the form of Annex G attached hereto, of a redemption or defeasance of less than all of the Bonds outstanding, to the respective amounts stated in such certificate.

Each draft and certificate shall refer thereon to the number of this Letter of Credit and shall be dated the date of its presentation, and shall be drawn and presented at our office located at 181 West Madison, Suite 3400, Chicago, Illinois, 60602 Attention: Letter of Credit Operations (or any office which may be designated by us by written notice delivered to you). If we receive any of your drafts and certificates (including a facsimile instead of such drafts and certificates) at such office, all in strict conformity with the terms and conditions of this Letter of Credit, on or prior to the termination hereof and in any event on or before 12:00 p.m. (Chicago time) on a Banking Day, we will honor the same by 3:00 p.m. on the same day in accordance with your payment instructions. If we receive any of your drafts and certificates (including a facsimile instead of such drafts and certificates), all in strict conformity with the terms and conditions of this Letter of Credit, after 12:00 p.m. (Chicago time) on a Banking Day prior to the termination hereof, we will honor the same on the next succeeding Banking Day in accordance with your payment instructions. If requested by you, payment under this Letter of Credit may be made by wire transfer of immediately available funds to your account in a bank or by deposit of same day funds into a designated account that you maintain with us. The term "Banking Day" means any day of the year other than a Saturday, Sunday or a day on which banks are required or authorized to close in New York City or Chicago.

Upon the earliest of (i) our honoring your Final Draft presented hereunder, (ii) the surrender to us by you of this Letter of Credit for cancellation, (iii) our honoring your Redemption Draft for all of the Bonds, (iv) the close of business on the tenth day after date on which we receive written notice from you that all of the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which we receive written notice from you that there is no longer any Bond outstanding, (vi) the date on which we receive written notice from you of the delivery of an alternate letter of credit in accordance with the Indenture, and (vii) the Scheduled Termination Date, this Letter of Credit shall automatically terminate.

This Letter of Credit is transferable in its entirety, but not in part, to any transferee who you certify has succeeded you as Trustee under the Indenture and may be successively transferred by such transferee. Transfer of the available balance under this Letter of Credit to such transferee shall be effected by the presentation to us of this Letter of Credit accompanied by a certificate in the form of Annex I attached hereto appropriately completed. Upon such presentation we shall forthwith transfer the same to your transferee or, if so requested by your transferee, issue an irrevocable letter of credit to your transferee with provisions therein consistent with this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the certificates and the drafts referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts.

To the extent not inconsistent with the express terms hereof, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credit, International Chamber of Commerce, Publication 400 (1983 revision) and, as to matters not covered therein, by the laws of the State of Illinois, including without limitation the Uniform Commercial Code as in effect in the State of Illinois. Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at 181 West Madison, Suite 3400, Chicago, Illinois, 60602 Attention: Letter of Credit Operations or fax (312) 578-5099, specifically referring to the number of this Letter of Credit.

Anything to the contrary in Article 45 of the Uniform Customs notwithstanding this Letter of Credit is intended to remain in full force and effect until it expires in accordance with its terms. Any failure by you or any successor trustee or co-trustee under the Indenture to draw upon this Letter of Credit with respect to any payment in respect of the Bonds in accordance with the terms and conditions of the Indenture shall not cause this Letter of Credit to be unavailable for any future drawing in accordance with the terms and conditions of the Indenture.

Very truly yours,
SOCIETE GENERALE, CHICAGO BRANCH

By _____
Title: _____

By _____
Title: _____

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS")

Irrevocable Letter of Credit No. IC70349

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to (a) payments of interest on the Bonds, to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive of Section 504 of the Indenture, which payments is [are]** due on the [date on which this Certificate and the Interest Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this Certificate and the Interest Draft it accompanies are being presented to the Bank.]* [CP Dates (as defined in the Indenture) established for the current calendar month.]* No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture) except for drawings for scheduled interest due to a Bondholder for a Bond which was tendered for purchase under the Indenture by such Bondholder between the most recent Interest Accrual Date (as defined in the Indenture) and the next ensuing Interest Payment Date (as defined in the Indenture) and such Bonds were not held under the Custody Agreement on the immediately preceding Interest Accrual Date.

* To be used if the Certificate and Interest Draft are presented not later than 12:00 p.m. (Chicago time).

** To be used if the Certificate and Interest Draft are presented after 12:00 p.m. (Chicago time).

*** To be used while the Bonds bear interest at the CP Rate.

(3) The amount of the Interest Draft accompanying this Certificate is equal to \$_____. It was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not include any amount of interest on the Bonds which is included in any Tender Draft or Final Draft presented on the date of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

Annex B

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A TENDER PURSUANT TO SECTION 301, 302, 303, 304 OR 305 OF THE INDENTURE.

Irrevocable Letter of Credit No. IC70349

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment of (i) the purchase price equal to the unpaid principal amount of the Bonds to be purchased as a result of a tender on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture) pursuant to the terms of Section 301, 302, 303, 304 or 305 of the Indenture (other than as provided below) and (ii) the purchase price equal to the amount of interest accrued and unpaid to the purchase date from the immediately preceding Interest Accrual Date (as defined in the Indenture), to the extent moneys are not available from the sources set forth in clauses (i) through (iv), inclusive, of Section 306 of the Indenture, which payment is due on the [date on which this Certificate and the Tender Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this certificate and the Tender Draft it accompanies are being presented to the Bank.]* No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

* To be used if the Certificate and Tender Draft are presented not later than 12:00 p.m. (Chicago time).

** To be used if the Certificate and Tender Draft are presented after 12:00 p.m. (Chicago time).

(3) The amount of the Tender Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of the portion of the purchase price of the Bonds equal to the unpaid principal of Bonds (other than as provided below) to be purchased as a result of a tender pursuant to Section 301, 302, 303, 304 or 305 of the Indenture and (ii) \$_____ being drawn in respect of the payment of the portion of the purchase price of the Bonds equal to the accrued and unpaid interest on such Bonds and does not include any amount of interest which is included in any Tender Draft (unless such amount has been reinstated by the Bank) or Final Draft presented on or prior to the date of this Certificate. No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

(4) The amount of the Tender Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

UNITED STATES TRUST COMPANY OF
NEW YORK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") UPON REDEMPTION

Irrevocable Letter of Credit No. IC70349

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment upon redemption [of all] [less than all]* of the Bonds on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture) of the unpaid principal amount of the Bonds to be redeemed pursuant to the terms of Sections 310, 311 or 312 of the Indenture (other than as provided below), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 504 of the Indenture, which payment is due on the [date on which this Certificate and the Redemption Draft it accompanies are being presented to the Bank.]** [Banking Day following the date on which this Certificate and the Redemption Draft it accompanies are being presented to the Bank.]*** No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

* Insert appropriate description.

** To be used if the Certificate and Redemption Draft are presented not later than 12:00 p.m. (Chicago time).

*** To be used if the Certificate and Redemption Draft are presented after 12:00 p.m. (Chicago time).

(3) The amount of the Redemption Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be redeemed, the accrued interest if any on the Bonds to be paid through an interest draft.

(4) The amount of the Redemption Draft accompanying this Certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

UNITED STATES TRUST COMPANY OF
NEW YORK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A PURCHASE

Irrevocable Letter of Credit No. IC70349

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch, (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be purchased by the Company in lieu of redemption pursuant to the terms of Section 314 of the Indenture (other than as provided below), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 306 of the Indenture, which payment is due on the [date on which this Certificate and the Purchase Draft it accompanies are being presented to the Bank.]* [Banking Day following the date on which this Certificate and the Purchase Draft it accompanies are being presented to the Bank.]** No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

* To be used if the Certificate and Purchase Draft are presented not later than 12:00 p.m. (Chicago time).

** To be used if the Certificate and Purchase Draft are presented after 12:00 p.m. (Chicago time).

(3) The amount of the Purchase Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be purchased by the Company in lieu of redemption.

(4) The amount of the Purchase Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

UNITED STATES TRUST COMPANY OF
NEW YORK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 1985B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS"), UPON STATED OR ACCELERATED MATURITY

Irrevocable Letter of Credit No. IC70349

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon stated or accelerated maturity of the unpaid principal amount of, and, to the extent such payment is not due on an Interest Payment Date within the meaning of the Indenture, of accrued and unpaid interest on, all of the Bonds (other than as provided below), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive, of Section 504 of the Indenture, which payment is due on [the date on which this Certificate and the Final Draft it accompanies are being presented to the Bank.]* [the Banking Day following the date on which this certificate and the Final Draft it accompanies are being presented to the Bank.]** No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

* To be used if the Certificate and Final Draft are presented not later than 12:00 p.m. (Chicago time).

** To be used if the Certificate and Final Draft are presented after 12:00 p.m. (Chicago time).

(3) The amount of the Final Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of unpaid principal of all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and (ii) \$_____ being drawn in respect of the payment of accrued and unpaid interest on such Bonds (other than as provided below) and does not include any amount of interest which is included in any Interest Draft or Tender Draft (unless such amount has been reinstated by the Bank), presented on or prior to the date of this Certificate. No amount is being drawn hereunder for the Bonds held under the Custody Agreement (as defined in the Indenture).

(4) The amount of the Final Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

NOTICE THAT TRUSTEE'S RIGHT TO DRAW
UNDER THE LETTER OF CREDIT BY AN
INTEREST DRAFT HAS NOT BEEN REINSTATED

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

Attention: Corporate Trust Department

Irrevocable Letter of Credit No. IC70349

Dear Sirs:

You are hereby advised that Kansas City Power & Light Company has not reimbursed us in an amount equal to the amount drawn by you under the Interest Draft dated _____, 19____. Therefore, the amount of our Irrevocable Letter of Credit No. IC70349 and the amounts available to be drawn by you by an Interest Draft, Tender Draft or Final Draft (which available amounts have been decreased by an amount equal to the amount of such Interest Draft) shall not be reinstated in the amount of such Interest Draft.

CERTIFICATE FOR THE REDUCTION OF AMOUNTS AVAILABLE UNDER
LETTER OF CREDIT NO. IC70349 DATED AUGUST 19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch, (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

- (1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.
- (2) The Trustee hereby notifies you that on or prior to the date hereof \$_____ principal amount of the Bonds have been redeemed or defeased and paid pursuant to the Indenture.
- (3) Following the redemption or the defeasance and payment referred to in paragraph (2) above, the aggregate principal amount of all of the Bonds outstanding is \$_____.
- (4) The maximum amount of interest for 285 days (computed at 15% per annum), accruing on the Bonds referred to in paragraph (3) above is \$_____.
- (5) The amount available to be drawn by the Trustee under the Letter of Credit by any Interest Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (4) above) upon receipt by the Bank of this Certificate.
- (6) The amount available to be drawn by the Trustee under the Letter of Credit by any Tender Draft is reduced to \$_____ (such amount being equal to the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.
- (7) The amount available to be drawn by the Trustee under the Letter of Credit by any Redemption Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).
- (8) The amount available to be drawn by the Trustee under the Letter of Credit by any Purchase Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).
- (9) The amount available to be drawn by the Trustee under the Letter of Credit by its Final Draft is reduced to \$_____ (such amount being equal to the amounts specified in paragraph (3) and (4) above) upon receipt by the Bank of this Certificate.
- (10) The amount of the Letter of Credit is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraph (3) and (5) above) upon receipt by the Bank of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

CERTIFICATE FOR THE REINSTATEMENT OF AMOUNTS AVAILABLE UNDER
IRREVOCABLE LETTER OF CREDIT NO. IC70349 DATED AUGUST 19,
1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Societe Generale, Chicago Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. IC70349 (the "Letter of Credit"), the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The amount of \$_____ which has been finally paid to you today by the Trustee on behalf of the Company is a payment made to reimburse you pursuant to Section 1.08[(c)]* or [(d)]** of the Letter of Credit and Reimbursement Agreement, dated as of August 19, 1993 (the "Reimbursement Agreement"), between the Company and the Bank, for amounts drawn under the Letter of Credit by [Tender Drafts]* [Purchase Drafts].**

(3) Of the amount referred to in paragraph (2), \$_____ represents the principal amount of Bonds to be resold on behalf of the Company.

[(4) Of the amount referred to in paragraph (2), \$_____ represents accrued interest on Bonds calculated in accordance with clause (ii) of Section 1.08(c) of the Reimbursement Agreement.]*

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

UNITED STATES TRUST COMPANY OF
NEW YORK,

as Trustee

By _____
[Name and Title]

* To be used in connection with reimbursement for amounts drawn under Tender Drafts.

** To be used in connection with reimbursement for amounts drawn under Purchase Drafts.

INSTRUCTION TO TRANSFER

_____, 19__

Attention: Letter of Credit Operations

Re: Irrevocable Letter of Credit No. IC70349

Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to:

[Name of Transferee]

[Address]

all rights of the undersigned beneficiary to draw under the above-captioned Letter of Credit (the "Letter of Credit"). The transferee has succeeded the undersigned as Trustee under the Indenture (as defined in the Letter of Credit).

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof; provided, however, that no rights shall be deemed to have been transferred to the transferee until such transfer complies with the requirements of the Letter of Credit pertaining to transfers.

The Letter of Credit is returned herewith and in accordance therewith we ask that this transfer be effective and that you transfer the same to our transferee or that, if so requested by the transferee, you issue a new irrevocable letter of credit in favor of the transferee with provisions consistent with the Letter of Credit.

Very truly yours,

UNITED STATES TRUST COMPANY OF
NEW YORK,

as predecessor Trustee

By _____
[Name and title]

EXHIBIT B
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF COUNSEL FOR THE COMPANY

August 19, 1993

Societe Generale, Chicago Branch
181 West Madison, Suite 3400
Chicago, IL 60602

Kansas City Power & Light Company

Gentlemen:

I am Chief Legal Officer of Kansas City Power & Light Company, a Missouri corporation (the "Company"), and am familiar with the matters relating to the preparation, execution and delivery of a Letter of Credit and Reimbursement Agreement (the "Reimbursement Agreement") dated as of August 19, 1993, between the Company and Societe Generale, Chicago Branch (the "Bank"). Among other things, I have examined:

- (1) a fully executed counterpart of the Reimbursement Agreement;
 - (2) the fully executed Letter of Credit;
 - (3) the fully executed Indenture;
 - (4) the fully executed Lease;
 - (5) the fully executed Sublease;
 - (6) the fully executed Custody Agreement and Amendment No. 1 thereto;
 - (7) the Articles of Incorporation of the Company and all amendments thereto (the "Charter");
 - (8) the by-laws of the Company as now in effect (the "By-laws");
- and
- (9) the Company's corporate proceedings and the proceedings before the public utility regulatory commissions of the States of Missouri and Kansas relating to the Reimbursement Agreement and related matters.

I have also examined the originals, or copies certified to my satisfaction, of (i) such other corporate records of the Company, certificates of public officials and of officers of the Company, (ii) the agreements, instruments and documents which affect or purport to affect the obligations of the Company under the Reimbursement Agreement, and (iii) such other agreements, instruments and documents as we have deemed necessary as a basis for the opinions hereinafter expressed. I have assumed the due execution and delivery, pursuant to due authorization, of the Reimbursement Agreement by the Bank. All capitalized terms used herein and defined in the Reimbursement Agreement are used herein as therein defined.

Based upon the foregoing and upon such investigation as I have deemed necessary, I am of the opinion that:

- (1) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.
- (2) The execution, delivery and performance by the Company of the Reimbursement Agreement and each Related Document to which it is a party are within the Company's corporate power, have been duly authorized by all necessary corporate action, do not contravene (i) the Company's charter or by-laws, or (ii) any law, rule or regulation applicable to the Company, or (iii) any contractual or legal restriction (including, but not limited to, the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to the Reimbursement Agreement and the Related Documents) upon or with respect to any of its properties. The Reimbursement Agreement and each Related Document to which the Company is a party have been duly executed and delivered on behalf of the Company.
- (3) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into the Reimbursement Agreement, and the commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which the Company is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Kansas Department of Economic Development, the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained and are in full force and effect, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization, approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Company of the Reimbursement Agreement or any Related Document to which it is a party.
- (4) The Reimbursement Agreement and each Related Document to which the Company is a party are the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.
- (5) Except as disclosed in the Company's Form 10-K for the year 1992, Forms 10-Q for the periods March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of my knowledge, threatened action or proceeding before any court, governmental agency or arbitrator against, directly involving or affecting the Company or any of its subsidiaries, which, in any case, may materially and adversely affect the financial condition or operations of the Company.

The opinions set forth above are subject to the following qualifications:

(a) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party is subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.

(b) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party, may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

I am not licensed to practice law in the State of Illinois or the State of Kansas. With respect to the Reimbursement Agreement and the Related Documents and any other document to which the laws of either the State of Illinois or the State of Kansas are applicable, I have assumed for purposes of this opinion that such laws (other than conflict of laws) are substantially similar to the laws of the State of Missouri. With respect to the conclusions set forth herein, I express no opinions as to any laws other than the laws of the State of Missouri and the Federal laws of the United States.

Very truly yours,

EXHIBIT C
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF BOND COUNSEL

[Letterhead of Chapman and Cutler]

August 19, 1993

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106

United States Trust Company of New York
114 West 47th Street
New York, New York 10036

Societe Generale, Chicago Branch
181 West Madison Street
Chicago, Illinois 60602

Re: \$50,000,000 City of Burlington, Kansas Customized Purchase Pollution
Control Refunding and Improvement Revenue Bonds, Series 1985B (Kansas
City Power & Light Company Project)

Ladies and Gentlemen:

The above-referenced bonds (the "Bonds") were issued under and are secured by an Indenture of Trust dated as of September 1, 1985 (the "Indenture"), between the City of Burlington, Kansas (the "Issuer") and United States Trust Company of New York, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.

Kansas City Power & Light Company (the "Company") has requested we provide the opinion of Bond Counsel required by Section 4.4(a) of the Series 1985B Equipment Sublease Agreement dated as of September 1, 1985 (the "Sublease") between the Issuer and the Company and Section 505(c) of the Indenture with respect to the issuance of Letter of Credit No. IC 70349 of even date herewith (the "Letter of Credit") issued by Societe Generale, Chicago Branch (the "Bank").

On the basis of our review of the Letter of Credit, the Indenture, the Sublease, photocopies of various counsel opinions dated September 26, 1985 (which have been identified as authentic copies of the original opinions and of which we have assumed the authenticity), and such other documents as we have considered necessary, we are of the opinion that the delivery of the Letter of Credit is authorized under the Sublease and complies with its terms.

We express no opinion as to whether the Letter of Credit is a legal, valid, binding and enforceable obligation of the Bank in accordance with its terms.

Respectfully submitted,

AGBacon

EXHIBIT D
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

ENCUMBRANCES

(a) liens for taxes, assessments or governmental charges not delinquent, liens for workmen's compensation awards and similar obligations not delinquent, and liens for labor, materials or supplies not delinquent;

(b) liens of the character specified in subparagraph (a) above, whether or not delinquent, the validity of which is being contested at the time by the Company in good faith, unless thereby in the opinion of counsel or of the Trustees, as defined in the Mortgage, any of the mortgaged property may be lost or forfeited;

(c) liens, neither assumed by the Company nor on account of which it customarily pays interest, existing upon real estate or rights in or relating to real estate now owned or hereafter acquired or now or hereafter leased by the Company for substation, transmission line, distribution line, pipe line, conduit, storage or right-of-way purposes;

(d) undetermined liens or charges incidental to construction or current operations;

(e) the liens of any judgments in an aggregate amount of not in excess of \$50,000, or the lien of any judgment the execution of which has been stayed or which has been appealed and secured, if necessary, by the filing of an appeal bond, or the lien of any judgment in respect of which moneys in the amount of the judgment have been deposited with the Trustee, as defined in the Mortgage, to be held as part of the trust estate and to be withdrawn only as provided in subdivision (e) of Section 8.01 of the Mortgage;

(f) easements, rights-of-way, licenses, exceptions, reservations or restrictions, and agreements for the joint or common use of property, which do not materially impair the use of the affected property in the operation of the business of the Company;

(g) the right reserved to, or vested in, any municipality or public authority by the terms of any franchise, grant, license or permit, or by any provision of law, to terminate such franchise, grant, license or permit or to purchase or appropriate or recapture or to designate a purchaser of any of the mortgaged property, or to demand and collect from the Company any tax or other compensation for the use of streets, alleys or other public places;

(h) rights reserved to, or vested in, any municipality or public authority to use, control, remove or regulate any property of the Company;

(i) rights reserved to or vested in others to take or receive any part of the electricity, gas, steam or water generated or produced by or from any property of the Company;

(j) zoning laws and ordinances; and

(k) possible adverse rights or interests and inconsequential defects or irregularities in title which, in the opinion of counsel, may properly be disregarded.

LETTER OF CREDIT AND
REIMBURSEMENT AGREEMENT

between

KANSAS CITY POWER & LIGHT COMPANY

and

THE TORONTO-DOMINION BANK

dated as of August 19, 1993

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LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT dated as of August 19, 1993, between KANSAS CITY POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Missouri (the "Company"), and THE TORONTO-DOMINION BANK (the "Bank"). (Unless otherwise indicated, all capitalized terms used herein shall have the meaning referred to or set forth in Article VI hereof.)

WHEREAS, the Company requested the City of Burlington, Coffey County, Kansas (the "Issuer") to issue pursuant to an Indenture of Trust dated as of October 1, 1987 (the "Indenture"), naming Chemical Bank, as trustee (the "Trustee"), \$50,000,000 aggregate principal amount of the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987A (Kansas City Power & Light Company Project) (the "Bonds") to various purchasers (the "Bond Purchasers") to refinance a portion of the costs of acquisition, construction, and installation of certain air and water pollution control and sewage and solid waste disposal facilities (the "Project") in Coffey County, Kansas; and

WHEREAS, pursuant to an Equipment Lease Agreement (the "Lease") dated as of October 1, 1987, between the Company and the Issuer, the Company has agreed to use the proceeds of the Bonds for the refinancing of the Project, and the Company will lease the Project to the Issuer, and pursuant to an Equipment Sublease Agreement (the "Sublease") dated as of October 1, 1987, between the Issuer and the Company, the Project will be subleased by the Issuer to the Company for payments to be made by the Company in such amounts and at such times as will be sufficient to timely pay the principal and interest on the Bonds; and

WHEREAS, in order to induce the Bond Purchasers to purchase the Bonds, the Company has requested the Bank to issue its irrevocable transferable letter of credit in substantially the form of Exhibit A appropriately completed (such letter of credit and any successor letter of credit as provided in such letter of credit being the "Letter of Credit") in the amount of \$54,684,931.51 of which \$50,000,000 shall support the payment of the principal of the Bonds, and \$4,684,931.51 shall support the payment of up to 285 days' accrued interest (computed at 12%) on the Bonds.

NOW, THEREFORE, in consideration of the premises and in order to induce the Bank to issue the Letter of Credit, the parties hereto agree as follows:

ARTICLE I
AMOUNT AND TERMS OF THE LETTER OF CREDIT

SECTION 1.01. The Letter of Credit. On the terms and conditions hereinafter set forth, the Bank agrees, upon the request of the Company, to issue the Letter of Credit dated August 19, 1993, to the Trustee in an amount not to exceed \$54,684,931.51 (the "Commitment") and expiring on or before the Scheduled Termination Date.

SECTION 1.02. Reimbursement. Subject to Section 1.03 in the case of a drawing under the Letter of Credit made pursuant to a Tender Draft and Section 1.04 in the case of a drawing under the Letter of Credit made pursuant to a Redemption Draft or a Purchase Draft and Section 1.05 in the case of a drawing under the Letter of Credit made pursuant to an Interest Draft, the Company hereby agrees to pay to the Bank on demand (i) on and after the date on which the Bank shall pay any draft presented under the Letter of Credit a sum equal to the amount so paid under the Letter of Credit, plus (ii) interest on any amount remaining unpaid by the Company to the Bank under clause (i) above from and including the date such draft was paid by the Bank until such amount becomes due, at such fluctuating interest rate per annum as shall be in effect from time to time pursuant to Section 1.06 herein.

SECTION 1.03. Tender Advances and Accrued Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Tender Draft, that portion of such payment with respect to the amount of unpaid principal of the Bonds under such Tender Draft shall constitute a tender advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being a "Tender Advance" and collectively the "Tender Advances." The Company shall repay the aggregate unpaid principal amount of all Tender Advances on the Termination Date - Letter of Credit. That portion of the payment equal to the accrued interest, if any, on the Bonds under such Tender Draft shall constitute an accrued interest advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being an "Accrued Interest Advance" and collectively the "Accrued Interest Advances." The Company shall repay the unpaid principal amount of any Accrued Interest Advance and accrued interest thereon on the earlier of the first business day of the next calendar month and the Termination Date - Letter of Credit. If certified to the Bank by the Company as a payment being made pursuant to this Section 1.03(a), upon such repayment, the Bank shall reinstate the Letter of Credit in the principal amount of such Accrued Interest Advance being repaid. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Tender Advance and each Accrued Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(b) The Company shall pay interest on the unpaid principal amount of each Tender Advance from the date of such Tender Advance until such principal amount shall become due, at the Domestic Rate, the Eurodollar Rate, or the CD Bid Rate, as selected by the Company pursuant to Section 1.08(a). The Company shall pay interest on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, at the Domestic Rate.

SECTION 1.04. Redemption Advances and Purchase Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Redemption Draft, such payment shall constitute a redemption advance made by the Bank to the Company on the date and in the amount of such payment, each such redemption advance being a "Redemption Advance" and collectively the "Redemption Advances." If the Bank shall make any payment under the Letter of Credit pursuant to a Purchase Draft and the conditions set forth in Section 2.03 shall have been fulfilled, such payment shall constitute a purchase advance made by the Bank to the Company on the date and in the amount of such payment, each such purchase advance being a "Purchase Advance" and collectively the "Purchase Advances." (Purchase Advances together with Redemption Advances are hereinafter sometimes referred to individually as a "Term Advance" and collectively as the "Term Advances.")

(b) The Company shall repay the aggregate unpaid principal amount of all Term Advances on the Termination Date - Letter of Credit. The Bank shall

maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Redemption Advance and Purchase Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(c) The Company shall pay interest on the unpaid principal amount of each Term Advance from the date of such Term Advance until such principal amount shall become due, at the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as selected by the Company pursuant to Section 1.08(b).

SECTION 1.05. Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to an Interest Draft, such payment shall constitute an interest advance made by the Bank to the Company on the date and in the amount of such payment, each such interest advance being an "Interest Advance" and collectively the "Interest Advances." The Company shall repay each Interest Advance on the same day such Interest Advance is made by the Bank.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.06. Interest on Overdue Amounts. Any amount of any Tender Advance or any Accrued Interest Advance which is not paid when due, whether at stated maturity, by acceleration or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-1/2% above the Prime Rate. Any amount of any Term Advance which is not paid when due, whether at stated maturity, by acceleration or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-5/8% above the Prime Rate. Any amount of any Interest Advance which is not paid when due shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at a rate per annum equal to 1-1/2% above the Prime Rate. Except as provided above, any other amount due hereunder which is not paid when due shall bear interest from and including the date the same becomes due until such amount is paid in full at a rate per annum equal to 1-1/2% above the Prime Rate.

SECTION 1.07. Interest Payments. The Company shall pay interest in arrears on the unpaid principal amount of each Advance from the date of such Advance until such principal amount shall become due, payable (i) quarterly on the last day of each March, June, September and December during the term thereof, and (ii) in addition, on the last day of each Interest Period (as hereinafter defined) for such Advance if such Advance is a Eurodollar Advance, a Term Eurodollar Advance, a CD Bid Advance or a Term CD Bid Advance. The Company shall pay interest in arrears on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, payable on the first business day of the next calendar month.

SECTION 1.08. Selection of Interest Rates. (a) Tender Advances. Subject to Sections 1.09(c) and (d) below, the Company may from time to time select for each Tender Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Domestic Rate, the Eurodollar Rate or the CD Bid Rate, provided that the Company shall also select a Business Day on which the Domestic Rate, the Eurodollar Rate or the CD Bid Rate, as the case may be, shall begin for such Tender Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Domestic Rate and at least two Business Days prior to such Business Day in the case of selection of the CD Bid Rate or the Eurodollar Rate. The interest rate selected for any Tender Advance by the Company pursuant to this Section 1.08(a) shall continue thereafter in effect for such Tender Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Tender Advance. If during the term of any Tender Advance the Company changes the interest rate for such Tender Advance from the Eurodollar Rate or the CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the Interest Period for such Tender Advance. In the event that the Tender Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Domestic Rate.

(b) Term Advances. Subject to Sections 1.09(c) and (e), the Company may from time to time select for each Term Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, provided that the Company shall also select a Business Day on which the Term Rate, the Term Eurodollar Rate or the Term CD Bid Rate, as the case may be, shall begin for such Term Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Term Rate and at least two Business Days prior to such Business Day in the case of selection of the Term CD Bid Rate or the Term Eurodollar Rate. The interest rate selected for any Term Advance by the Company pursuant to this Section 1.08(b) shall continue thereafter in effect for such Term Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Term Advance. If during the term of any Term Advance the Company changes the interest rate for such Term Advance from the Term Eurodollar Rate or the Term CD Bid Rate to another rate, the Business Day on which such other rate shall then begin shall be the last day of the Interest Period for such Term Advance. In the event that the Term Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Term Rate.

SECTION 1.09. Interest Periods. (a) If and so long as the Eurodollar Rate shall be selected for any Tender Advance or the Term Eurodollar Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, and the date of payment in full of such Eurodollar Advance or Term Eurodollar Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such Eurodollar Advance or Term Eurodollar Advance, as the case may be. The initial Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such Eurodollar Advance or Term Eurodollar Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any Eurodollar Advance or Term Eurodollar Advance shall be one, three or six months as the Company may, upon telephonic notice given to the Bank at least two Business Days prior to the first day of such Interest Period (such notice to be confirmed by the Company immediately in writing), select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and

(ii) the duration of any Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(b) If and so long as the CD Bid Rate shall be selected for any Tender Advance or the Term CD Bid Rate shall be selected for any Term Advance, the period between the Business Day on which such rate shall then begin for such CD Bid Advance or Term CD Bid Advance, as the case may be, and the date of payment in full of such CD Bid Advance or Term CD Bid Advance, as the case may be, shall be divided into successive periods, each such period being an "Interest Period" for such CD Bid Advance or Term CD Bid Advance, as the case may be. The initial Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at that time shall begin on such Business Day and each subsequent Interest Period for such CD Bid Advance or Term CD Bid Advance, as the case may be, at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any CD Bid Advance or Term CD Bid Advance shall be one, three or six months as the Company may, upon telephonic notice given to the Bank (such notice to be confirmed by the Company immediately in writing) at least two Business Days prior to the first day of such Interest Period, select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be one month; and

(ii) the duration of any such Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(c) If (i) it shall become unlawful for the Bank to obtain funds in the London interbank market in order to fund or maintain Eurodollar Advances or Term Eurodollar Advances or otherwise to perform its obligations hereunder with respect to any such Eurodollar Advances or Term Eurodollar Advances, or (ii) due to money market conditions or otherwise, the Bank determines that matching or offsetting deposits for Eurodollar or Term Eurodollar Advances are not available in the London interbank market or that the Bank is unable reasonably to quote a rate for such Advances or that the LIBO Rate does not adequately reflect the cost of funding such Advances, upon notice by the Bank to the Company, the rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate or the CD Bid Rate, as the Company shall select immediately upon receipt of such notice, and the rate of interest on all Term Eurodollar Advances shall thereupon be the Term Rate or the Term CD Bid Rate, as the Company shall select immediately upon receipt of such notice, and the right of the Company to select the Eurodollar Rate for any Tender Advance and the Term Eurodollar Rate for any Term Advance shall cease for the period during which such illegality or such conditions shall occur and be continuing. In the event that the Company shall fail to select an alternative rate, the rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate and the rate of interest on all Term Eurodollar Advances shall be the Term Rate.

(d) On and after the date on which the unpaid principal amount of any Tender Advance shall be reduced, by payment or prepayment or otherwise, to less than \$1,000,000, the rate of interest on the unpaid principal amount of such Tender Advance shall be the Domestic Rate and the right of the Company to select a rate other than the Domestic Rate for such Tender Advance shall terminate; provided, however, that if and so long as such Tender Advance shall bear the same rate (other than the Domestic Rate) for the same Interest Period as another Tender Advance or other Tender Advances and the aggregate unpaid principal amount of all such Tender Advances shall equal or exceed \$1,000,000, the Company shall have the right to select such rate for such Interest Period for such Tender Advance.

(e) On and after the date on which the unpaid principal amount of any Term Advance shall be reduced, by payment or prepayment or otherwise, to less than \$1,000,000 the rate of interest on the unpaid principal amount of such Term Advance shall be the Term Rate and the right of the Company to select a rate (other than the Term Rate) for such Term Advance shall terminate; provided, however, that if and so long as such Term Advance shall bear the same rate (other than the Term Rate) for the same Interest Period as another Term Advance or other Term Advances and the aggregate unpaid principal amount of all such Term Advances shall equal or exceed \$1,000,000, the Company shall have the right to select such rate for such Interest Period for such Term Advance.

SECTION 1.10. Prepayments. (a) The Company may prepay in whole or in part the outstanding amount of any Accrued Interest Advance with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that the Company shall, simultaneously with the making of such prepayment, give notice to the Bank by telephone (which shall be confirmed immediately in writing) or telegraph of such prepayment, which notice shall specify (i) the amount of such prepayment and (ii) the amount of accrued interest transmitted with such prepayment.

(b) The Company may, upon at least two Business Days' notice to the Bank, prepay the outstanding amount of any Advance (other than an Accrued Interest Advance) in whole or in part with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that any prepayment of any Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance shall be made on, and only on, the last day of an Interest Period for such Eurodollar Advance, Term Eurodollar Advance, CD Bid Advance or Term CD Bid Advance, as the case may be, unless the Company shall pay to the Bank in accordance with Section 1.12 an amount sufficient to compensate the Bank for any loss or expenses incurred by it by reason of such prepayment on a day other than the last day of the relevant Interest Period; provided, further, that in the case of a prepayment certified to the Bank by the Trustee as a payment made pursuant to subsection (c) of this Section, the Company shall on the date of such prepayment pay interest accrued on such Advance to the date of prepayment, together with an amount sufficient to compensate the Bank for any loss or expenses in accordance with Section 1.12.

(c) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Tender Draft or Tender Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to the sum of (i) that portion of any Tender Advances equal to 100% of the principal amount of any such Bonds resold or to be resold and (ii) that portion of the Accrued Interest Advances (the "Corresponding Accrued Interest Advances") which bears the same ratio to the total unreimbursed Accrued Interest Advances as the principal amount of such Bonds sold or to be resold bears to the principal amount of all such Bonds held by the Custodian on behalf of the Company under the Custody Agreement. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(c), be applied by

the Bank in reimbursement of such drawings (and as prepayment of the Tender Advances and the Corresponding Accrued Interest Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(d) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Purchase Draft or Purchase Drafts, the Company shall cause the Trustee to prepay, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to that portion of any Purchase Advances equal to 100% of the principal amount of any such Bonds resold or to be resold. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(d), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Purchase Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(e) Amounts received by the Bank from the Company or the Trustee on behalf of the Company in reimbursement for drawings under the Letter of Credit shall be applied first in reimbursement of any unreimbursed drawings made by an Interest Draft, unless such amounts are accompanied by a certificate as described in subsection (c) or (d) of this Section 1.10 or in Section 1.03(a).

SECTION 1.11. Other Payments. The Company hereby agrees to pay to the Bank such fees as are set forth in a letter of even date from the Company to the Bank.

SECTION 1.12. Increased Costs. (a) If either (i) the introduction of or any change (including, without limitation, any change by way of imposition or increase of reserve requirements other than those referred to in Section 1.13 below) in or in the interpretation of any law or regulation or (ii) the compliance by the Bank or a Participant with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), shall result in any increase in the cost to the Bank or a Participant, as the case may be, of making, funding, maintaining or participating in Eurodollar Advances or CD Bid Advances, then the Company shall from time to time, upon demand by the Bank, pay to the Bank additional amounts sufficient to indemnify the Bank or such Participant, as the case may be, against such increased cost. A certificate as to the amount of such increased cost and a reasonable explanation thereof, submitted to the Company by the Bank on its own behalf or on behalf of such Participant shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(b) If, due to (i) conversions of the type of interest rate pursuant to Section 1.08, (ii) prepayments pursuant to Section 1.10 (whether by direct or applied payments), (iii) acceleration of the maturity of the Advances pursuant to Section 5.02, or (iv) any other reason, the Bank receives payments of principal of any Eurodollar Advance or CD Bid Advance or is subject to a conversion of a Eurodollar Advance or CD Bid Advance into another type of Advance other than on the last day of an Interest Period relating to such Advance, the Company shall, promptly after demand by the Bank, pay to the Bank any amounts required to compensate the Bank or any Participant for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by the Bank or such Participant to fund or maintain such Eurodollar Advance or CD Bid Advance. A certificate setting forth the amount of such additional losses, costs or expenses and giving a reasonable explanation thereof, submitted by the Bank on its own behalf or on behalf of such Participant to the Company, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(c) If after the date of this Agreement, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank or any Participant with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) shall subject the Bank or any Participant to any tax, duty or other charge with respect to payments to the Bank or such Participant of any amount due under this Agreement or shall change the basis of taxation of payments to the Bank or any Participant of any amount due under this Agreement (except for changes in the rate of tax on the overall net income of the Bank or such Participant imposed by the jurisdiction in which the Bank's or such Participant's, as the case may be, principal executive office is located); or

(ii) shall impose, modify or deem applicable any reserve, capital adequacy, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System or the Reserve Bank of Canada or a similar entity with respect to any Participant) against assets of, deposits with or for the account of, or credit extended by, the Bank or any Participant or shall impose on the Bank or any Participant any other condition affecting the Letter of Credit or its participation therein; and the result of any of the foregoing is to increase the cost to the Bank or any Participant of issuing or maintaining the Letter of Credit or its participation therein, or to reduce the amount of any sum received or receivable by the Bank or any Participant under this Agreement or a participation agreement, as the case may be, with respect thereto, then, at the discretion of the Bank or such Participant, as the case may be, and within 15 days after demand by the Bank pursuant to paragraph (f) below, the Company shall pay for the account of the Bank such additional amount or amounts as will compensate the Bank or such Participant, as the case may be, for such increased cost or reduction.

(d) If after the date of this Agreement, the Bank or any Participant shall have determined that the adoption of any applicable law, rule or regulation regarding capital adequacy of general applicability, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank or any Participant with any request or directive regarding capital adequacy of general applicability (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on the Bank's or such Participant's capital as a consequence of the Letter of Credit or its participation therein hereunder to a level below that which the Bank or such Participant could have achieved but for such adoption, change or compliance (taking into consideration the Bank's or such Participant's policies with respect to capital adequacy) then, at the discretion of the Bank or such Participant, as the case may be, and within 15 days after demand by the Bank pursuant to paragraph (f) below, the Company

shall pay to the Bank such additional amount or amounts as will, in the opinion of the Bank or such Participant, as the case may be, compensate it for such reduction.

(e) The Company hereby agrees that each Participant shall have the same rights and obligations under this Section 1.12 with respect to its respective participation as if such Participant were named instead of the Bank in this Section 1.12. The Bank's rights pursuant to this Section 1.12 shall apply only to that portion of the Letter of Credit, the advances made thereunder, the Bank's rights and obligations under this Agreement and the amounts payable to the Bank hereunder a participating interest in which has not been sold to a Participant.

(f) The Bank will promptly notify the Company of any event of which it has knowledge, occurring after the date hereof, that will entitle the Bank or any Participant to compensation pursuant to paragraphs (c) or (d) of this Section. A certificate of the Bank submitted to the Company setting forth the additional amount or amounts to be paid to it for its own account or for the account of a Participant and a reasonable explanation thereof shall constitute demand for such compensation and shall be conclusive in the absence of manifest error. In determining such amount, the Bank and the Participants may use any reasonable averaging and attribution methods.

SECTION 1.13. Additional Interest. The Company shall pay to the Bank additional interest on the unpaid principal amount of each Advance during the periods such Advance shall be a Eurodollar Advance or Term Eurodollar Advance until such principal amount is paid in full, payable on each day on which interest on such Advance is payable under Section 1.07, at an interest rate per annum equal at all times during each Interest Period for such Advance, to the excess of (i) the rate obtained by dividing the LIBO Rate for such Interest Period by a percentage equal to 100% minus the reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or if more than one such percentage is so applicable, minus the daily average for such percentages for those days in such Interest Period during which any such percentage shall be so applicable) for determining the maximum reserve requirement (including, without limitation, any marginal reserve requirement) for the Bank in respect of liabilities or assets consisting of or including Eurocurrency liabilities over (ii) the LIBO Rate for such Interest Period.

SECTION 1.14. Payments and Computations. The Company, unless directed otherwise, shall make each payment hereunder not later than 11:00 a.m. (Houston time) on the day when due in lawful money of the United States of America to the Bank, at Morgan Guaranty Trust Company, Account #63000271 for the credit of The Toronto-Dominion Bank, New York Branch, in same day funds. All computations of interest at the Domestic Rate and the Term Rate shall be made by the Bank on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest at the Eurodollar Rate, the Term Eurodollar Rate, the CD Bid Rate, the Term CD Bid Rate and the letter of credit commission hereunder shall be made by the Bank on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) elapsed.

SECTION 1.15. Payment on Non-Business Days. Whenever any payment to be made hereunder shall be stated to be due, or whenever the last day of any Interest Period would otherwise occur, on a day which is not a Business Day, such payment shall be made, and the last day of such Interest Period shall occur, on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commission, as the case may be; provided, however, if such extension would cause such payment of a Eurodollar Advance or a Term Eurodollar Advance to be made on the last day of such Interest Period to occur in a new calendar month, such payment shall be made and the last day of such Interest Period shall occur on the next preceding Business Day.

SECTION 1.16. Extension of the Letter of Credit. At least 90 days but not more than 120 days before each May 15, commencing May 15, 1995, and each succeeding year thereafter until the Scheduled Termination Date, the Company may request the Bank in writing (each such request being irrevocable and binding) to extend for one year the Scheduled Termination Date of the Letter of Credit. The Bank shall respond to the Company's request for such extension on or before each June 1 in the year in which the Company has requested an extension of the Letter of Credit. In the event the Bank does not respond to the Company's initial request by June 1 of the year the Company first requests an extension, the Bank shall be deemed to have granted to the Company an extension of the Letter of Credit from August 18, 1996, to and including August 18, 1997, on the same terms and conditions as contained herein. If the Bank fails to respond to any request for an extension of the Scheduled Termination Date made subsequent to the Company's initial request, such extension shall be deemed not to have been given. In the event the Bank responds to the Company's request with an offer of new terms and conditions, the Company shall have until July 1 of such year to give its consent or nonconsent in writing to the Bank's offer of new terms and conditions. If the Company does not consent in writing to such terms and conditions by such date, the extension shall be deemed not to have been given. Any consent or offer the Bank may give or any extension that is deemed to be given shall be conditional upon the preparation, execution and delivery of legal documentation in form and substance satisfactory to the Bank and its counsel.

SECTION 1.17. Obligations Absolute. The payment obligations of the Company under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(i) any lack of validity or enforceability of the Letter of Credit, the Bonds, the Indenture, the Lease, the Sublease, or any other agreement or instrument relating thereto (collectively the "Related Documents");

(ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(iii) the existence of any claim, set-off, defense or other right which the Company may have at any time against the Trustee, any beneficiary or any transferee of the Letter of Credit (or any persons or entities for whom the Trustee, any such beneficiary or any such transferee may be acting), the Bank or any other person or entity, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(v) payment by the Bank under the Letter of Credit against presentation of a draft or certificate which does not comply with the terms of the Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or

not similar to any of the foregoing; provided however that such circumstance or happening shall not have been the result of the gross negligence or willful misconduct of the Bank.

ARTICLE II CONDITIONS OF ISSUANCE

SECTION 2.01. Condition Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit is subject to the condition precedent that the Bank shall have received on or before the date of the issuance of the Letter of Credit the following, each dated such day, in form and substance satisfactory to the Bank:

- (a) Certified copies of the resolutions of the Board of Directors of the Company authorizing the Company to enter into this Agreement, approving the Letter of Credit and the other matters contemplated hereby.
- (b) Originals (or copies certified by the Secretary or Assistant Secretary of the Company) of current approvals or orders of the public utility regulatory commissions of the States of Missouri and Kansas necessary for the Company with respect to this Agreement.
- (c) A certificate of the Secretary or an Assistant Secretary of the Company, certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the other documents to be delivered by it hereunder.
- (d) Opinions of Samuel P. Cowley, Esq., Senior Vice President and Chief Legal Officer for the Company, in substantially the form of Exhibit B hereto and as to such other matters as the Bank may reasonably request.
- (e) Opinions of Chapman and Cutler, Bond Counsel, in substantially the form of Exhibit C hereto and as to such other matters as the Bank may reasonably request, including advice from such Bond Counsel to the Bank that the Bank may rely on such opinion.
- (f) A transcript relating to the issuance of the Bonds.
- (g) Such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates of executed copies thereof) or opinions as the Bank may reasonably request.

SECTION 2.02. Additional Conditions Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit shall be subject to the further conditions precedent that on the date of the issuance of the Letter of Credit:

- (a) The following statements shall be true and the Bank shall have received a certificate signed by a duly authorized officer of the Company, dated the date of such issuance, stating that:
 - (i) the representations and warranties contained in Section 3.01 of this Agreement are correct on and as of the date of issuance of the Letter of Credit as though made on and as of such date; and
 - (ii) no event has occurred and is continuing, or would result from the issuance of the Letter of Credit, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.
- (b) The Issuer and the Trustee have duly authorized and executed the Indenture and the Indenture shall continue to be in full force and effect.
- (c) The Issuer and the Company have duly authorized and executed the Lease and the Sublease and the Lease and the Sublease shall continue to be in full force and effect.
- (d) The Issuer has duly executed, issued and delivered the Bonds.
- (e) The Bank shall have received such other approvals, opinions or documents as the Bank may reasonably request.

ARTICLE III REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties. The Company represents and warrants as follows:

- (a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.
- (b) The execution, delivery and performance by the Company of this Agreement and each Related Document to which it is a party are within the Company's corporate powers, have been duly authorized by all necessary corporate action, do not contravene (i) the Company's charter or by-laws (ii) any law or contractual restriction (including, but not limited to, any restriction in the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to this Agreement and the Related Documents) upon or with respect to any of its properties; or (iii) any other instruments to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company may be subject, or any law, order, rule or regulation applicable to the Company or any court, federal or state, regulatory body, administrative agency or other governmental body having jurisdiction over the Company.
- (c) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into this Agreement, and the Commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which it is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained and are in full force and effect, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the

Company of this Agreement or any Related Document to which it is a party.

(d) This Agreement is, and each Related Document to which the Company is a party when delivered hereunder will be, the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally).

(e) Except as disclosed in the Company's Form 10-K for the year ended 1992, Form 10-Q for the periods March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of the Company's knowledge, threatened action or investigation or proceeding before any court, governmental agency or arbitrator against or affecting the Company which may materially adversely affect the financial condition or total operations of the Company.

(f) The balance sheet of the Company as at December 31, 1992, and the related statements of income and retained earnings and of changes in financial position of the Company for the fiscal year then ended, certified by Coopers & Lybrand, independent public accountants, copies of which have been furnished to the Bank, and the balance sheet of the Company as at June 30, 1993, and the related statements of retained earnings for the six months then ended, signed by the Controller of the Company, copies of which are contained in the Company's 10-Q dated as of June 30, 1993, a copy of which has been furnished to the Bank, fairly present the financial condition of the Company as at such respective dates and the results of the operations of the Company for the period ended on such respective dates, all in accordance with generally accepted accounting principles consistently applied, and since June 30, 1993, there has been no material adverse change in the financial condition or total operations of the Company other than disclosed or contemplated in the notes to the financials in the Company's 10-Q dated June 30, 1993.

(g) Except for information contained therein describing the Bank, as to which no representation is made, the Official Statement (said Official Statement, together with the documents incorporated therein by reference, being the "Official Statement") dated October 29, 1987, of the Issuer relating to the Bonds is, and the Preliminary Official Statement (said Preliminary Official Statement, together with the documents incorporated therein by reference being the "Preliminary Official Statement") dated October 16, 1986, of the Issuer relating to the Bonds as of its date of issue was to the best of the Company's knowledge, and any supplement or amendment to either thereof shall be, accurate in all material respects for the purposes for which its use is, was, or shall be, authorized; and the Official Statement does not, the Preliminary Official Statement as of its date of issue did not to the best of the Company's knowledge, and any such supplement or amendment shall not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they are or were made, not misleading.

(h) No Termination Event has occurred nor is reasonably expected to occur with respect to any Plan.

(i) The Company does not contribute to any Multiemployer Plan and has not incurred any withdrawal liability with respect to any such plan.

ARTICLE IV COVENANTS OF THE COMPANY

SECTION 4.01. Affirmative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will, unless the Bank shall otherwise consent in writing:

(a) Preservation of Corporate Existence, Etc. Preserve and maintain its corporate existence, rights (charter and statutory) and privileges in the state of its incorporation and qualify and remain qualified as a foreign corporation in each jurisdiction in which such qualification is reasonably necessary in view of its business and operations or the ownership of its properties.

(b) Compliance with Laws, Etc. Comply in all respects with all applicable laws, rules, regulations and orders of any governmental authority, the non-compliance with which would materially and adversely affect the financial condition or operations of the Company, such compliance to include, without limitation, paying before the same become delinquent all material taxes, assessments and governmental charges imposed upon it or upon its property, except to the extent compliance with any of the foregoing is then being contested in good faith.

(c) Maintenance of Insurance. Maintain insurance with responsible and reputable insurance companies or associations or through its own program of self-insurance in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Company operates.

(d) Visitation Rights. At any reasonable time and from time to time, permit the Bank or any of its agents or representatives at their own expense to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and to discuss the affairs, finances and accounts of the Company with any of its officers.

(e) Keeping of Books. Keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company in accordance with generally accepted accounting principles consistently applied (except as disclosed in the notes to the balance sheet and related statements of income and retained earnings).

(f) Maintenance of Properties. Maintain and preserve its properties that are necessary to maintain its operating system in good working order and condition, ordinary wear and tear excepted.

(g) Reporting Requirements. Furnish to the Bank the following:
(i) as soon as possible, and in any event within 3 days after the occurrence of each Event of Default or each event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default, continuing on the date of such statement, a statement of the chief accounting officer (or in his absence, a principal financial officer) of the Company setting forth details of such Event of Default or event and the action which the Company proposes to take with respect

thereto; (ii) as soon as available and in any event within 10 days after the filing of each quarterly report on Form 10-Q by the Company with the Securities and Exchange Commission, a copy of each such quarterly report, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iii) as soon as available and in any event within 10 days after the filing of each annual report on Form 10-K by the Company with the Securities and Exchange Commission, a copy of each such annual report containing financial statements for such year certified by nationally recognized independent public accountants, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iv) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Company sends to any of its stockholders, and copies of all regular, periodic and special reports and all registration statements, which the Company files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor; (v) as soon as possible and in any event within (A) 30 days after the Company or any of its Affiliates knows or has reason to know that any Termination Event described in clause (i) of the definition of Termination Event with respect to any Plan has occurred and (B) within 10 days after the Company or any of its Affiliates knows or has reason to know that any other Termination Event with respect to any Plan has occurred, a statement of the chief accounting officer (or in his absence a principal financial officer) of the Company describing such Termination Event and the action, if any, which the Company or such Affiliate proposes to take with respect thereto; (vi) promptly and in any event within two Business Days after receipt thereof by the Company or any of its Affiliates from the Pension Benefit Guaranty Corporation ("PBGC"), copies of each notice received by the Company or any such Affiliate of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan; and (vii) such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Company as the Bank may from time to time reasonably request in writing.

(h) Officer's Certificate. In the event that an Advance is made pursuant to Sections 1.03 or 1.04 hereunder, the Company shall deliver to the Bank every ninety (90) days commencing ninety (90) days from the date such Advance is made until all outstanding Advances have been paid in full, a certificate signed by a duly authorized officer of the Company stating that the representations and warranties contained in Section 3.01 (other than subsection (g)) are correct on and as of such date as though made on and as of such date and subsection (g) of Section 3.01 was correct on the date of this Agreement.

(i) Other Agreements. Perform and comply with each of the terms, provisions and conditions, on its part to be performed or complied with, contained in the Indenture, the Lease and the Sublease.

(j) Redemption or Defeasance of Bonds. Use its best efforts to cause the Trustee, (A) upon a redemption or defeasance of less than all of the Bonds pursuant to the Indenture, to furnish to the Bank a notice in the form of Annex G to the Letter of Credit, and (B) upon a redemption or defeasance of all of the Bonds pursuant to the Indenture, to surrender the Letter of Credit to the Bank for cancellation.

(k) Registration of Bonds. Cause all Bonds which it acquires, or which it has acquired for its account, to be registered forthwith in accordance with the Indenture in the name of the Company.

SECTION 4.02. Negative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will not, without the written consent of the Bank:

(a) Liens, Etc. Create, incur, assume or suffer to exist any lien, security interest or other charge or encumbrance, or any other type of preferential arrangement, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign any right to receive income, in each case to secure any Obligation of any person, other than (i) purchase money liens or purchase money security interests upon or in any property acquired or held by the Company in the ordinary course of business to secure the purchase price of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property, (ii) liens or security interests existing on such property at the time of its acquisition, (iii) liens, security interests, charges or encumbrances on or over, gas, oil, coal, fissionable material or other fuel or fuel products as security for an Obligation incurred by the Company for the sole purpose of financing the acquisition or storage of such fuel or fuel products or, with respect to nuclear fuel, the processing, reprocessing, sorting, storage and disposal thereof, (iv) liens, security interests, charges or encumbrances on or over all or any part of its undertaking or assets employed wholly or mainly in or arising directly from any specific construction project or generating plant as security for an Obligation incurred by the Company for the purpose of financing all or any part of such construction project or generating plant, (v) the lien of the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946, from the Company to Continental Illinois National Bank and Trust Company of Chicago, and the lien of the General Mortgage Indenture and Deed of Trust dated December 1, 1986 from the Company to United Missouri Bank of Kansas City, N.A. (the "Mortgage"), (vi) encumbrances listed on Exhibit D attached hereto, (vii) security interests granted in, or sale of, the Company's accounts receivable, (viii) sales or transfers of property by the Company and renting or leasing back such property, provided that all such property in the aggregate does not exceed fifteen percent (15%) of all the Company's assets.

(b) Mergers, Etc. Merge with or into or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) or acquire all or substantially all of the assets, other than utility assets, of, any person or entity, except that the Company may merge or consolidate with any person or entity on condition in each case that, (i) immediately after giving effect thereto, no event shall occur and be continuing which constitutes an Event of Default or which with the giving of notice or lapse of time, or both, would constitute an Event of Default, (ii) the consolidation or merger shall not materially and adversely affect the ability of the Company to perform its obligations hereunder or under the Related Documents, and (iii) the corporation formed by any such consolidation or into which the Company shall be merged shall assume the Company's obligations and performance of the Company's covenants hereunder and under the Related Documents in a writing satisfactory in form and substance to the Bank.

(c) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or, except as otherwise permitted under Section 4.02(a), pledge or otherwise encumber more than fifteen percent (15%) of its assets, except in the ordinary course of its business or in connection with a transaction authorized by subsection (b) of this Section 4.02.

(d) Compliance with ERISA. (i) Voluntarily terminate any Plan, so as to result in any material liability of the Company to PBGC or (ii) enter into any Prohibited Transaction (as defined in Section 4975 of the Internal Revenue Code of 1986, as amended, and in ERISA) involving any Plan which results in any material liability of the company to PBGC, (iii) cause any occurrence of any Reportable Event which results in any material liability of the Company to PBGC or (iv) allow or suffer to exist any other event or condition known to the Company which results in any material liability of the Company to PBGC.

(e) Amendment of Indenture or Related Document. Enter into or consent to any amendment or modification of, the Indenture, the Lease, the Sublease or any other Related Document, which would adversely affect the Bank, without first obtaining the express prior written consent of the Bank thereto.

ARTICLE V EVENTS OF DEFAULT

SECTION 5.01. Events of Default. The occurrence of any of the following events shall be an "Event of Default" hereunder unless waived by the Bank pursuant to Section 7.01 hereof:

(a) the Company shall fail to pay any amount payable to the Bank under any provision of Article I when due except as provided in (b) below; or

(b) the Company shall fail to pay any amount of an Interest Advance within one (1) day after such amount becomes due; or

(c) any representation or warranty made by the Company herein or by the Company (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(d) the Company shall fail to perform or observe any other term, covenant or agreement contained in this Agreement, and any such failure shall remain unremedied for 10 days after written notice thereof shall have been given to the Company by the Bank; or

(e) any material provision of this Agreement shall at any time for any reason cease to be valid and binding upon the Company, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Company, or a proceeding shall be commenced by any governmental agency or authority having jurisdiction over the Company seeking to establish the invalidity or unenforceability thereof, or the Company shall deny that it has any or further liability or obligation under this Agreement; or

(f) the Company shall (x) fail to make any payment, equal to or exceeding \$10,000,000 of any Obligation or to make any payment, equal to or exceeding \$5,000,000, of any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Obligation, or (y) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Obligation when required to be performed or observed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of, the maturity of any Obligation, the unpaid principal amount of which then equals or exceeds \$10,000,000; or

(g) the Company shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors or shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, reorganization or insolvency or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property; or the Company shall take any corporate action to authorize any of the actions described above in this subsection (g); or any proceeding shall be instituted against the Company seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement or adjustment of debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a trustee, receiver or custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Company in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days; or

(h) any judgment or order for the payment of money in excess of \$10,000,000 shall be rendered against the Company and either (x) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (y) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) any Termination Event with respect to a Plan shall have occurred, and, 30 days after notice thereof shall have been given to the Company by the Bank, (i) such Termination Event (if correctable) shall not have been corrected and (ii) the then present value of such Plan's vested benefits exceeds the then current value of assets accumulated in such Plan by more than the amount of \$15,000,000 (or in the case of a Termination Event involving the withdrawal of a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), the withdrawing employer's proportionate share of such excess exceed such amount); or

(j) any event of default under and as defined in the Indenture, the Lease or the Sublease shall have occurred and be continuing.

SECTION 5.02. Upon an Event of Default. If any Event of Default shall have occurred and be continuing, the Bank may (i) by notice to the Company, declare the obligation of the Bank to issue the Letter of Credit to be terminated, whereupon the same shall forthwith terminate, or if the Letter of Credit shall have been issued, (ii) give notice to the Trustee pursuant to

Section 701 of the Indenture of the occurrence and continuance of an Event of Default hereunder, and (iii) declare the Advances, all amounts payable under any provision of Article I, all interest thereon and all other amounts payable hereunder to be forthwith due and payable, whereupon the Advances, all amounts payable under any provision of Article I, all interest thereon and all such other amounts shall become and be forthwith due and payable, without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Company.

ARTICLE VI
DEFINITIONS

SECTION 6.01. Definitions. Unless otherwise indicated in this Agreement, the capitalized terms used herein shall have the following meanings:

"Accrued Interest Advance" has the meaning set forth in Section 1.03(a) hereof.

"Advances" means, collectively, Tender Advances, Accrued Interest Advances, Redemption Advances and Purchase Advances, and an "Advance" means any of them.

"Affiliate" means any trade or business (whether or not incorporated) which is a member of a group of which the Company is a member and which is under common control within the meaning of the regulations under Section 414 of the Internal Revenue Code of 1986, as amended.

"Assessment Rate" for any Interest Period for any CD Bid Advance or Term CD Bid Advance means the annual assessment rate per annum estimated by the Bank on the first day of such Interest Period for determining the then current annual assessment payable by the Bank to the Federal Deposit Insurance Corporation (or any successor) for such Corporation's (or such successor's) insuring U.S. dollar deposits of the Bank in the United States.

"Available Amount" in effect at any time means the maximum amount available to be drawn at such time under the Letter of Credit (the determination of such maximum amount to assume, throughout this Agreement, compliance with all conditions for drawing and no reduction for any amount drawn by an Interest Draft referred to in the Letter of Credit (unless such amount is not reinstated under the Letter of Credit)).

"Bonds" means the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987A (Kansas City Power & Light Company Project).

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City or Houston and, if the applicable Business Day relates to any Eurodollar Advance or Interest Period therefor, on which dealings are carried on in the London interbank market.

"CD Bid Advance" means a Tender Advance bearing interest at the CD Bid Rate.

"CD Bid Rate" during any Interest Period for any CD Bid Advance means an interest rate per annum equal to 5/8 of 1% per annum above the CD Bid Formula.

"CD Bid Formula" shall mean a rate equal to the sum of (x) the rate of interest equal to the per annum rate determined by the Bank at 9:00 a.m. Houston time (or as soon thereafter as practicable) on the first day of the applicable Interest Period, of certificates of deposit with maturities identical to the duration of such Interest Period, plus (y) the Assessment Rate divided by (z) one hundred percent (100%) minus the Reserve Percentage.

"Commitment" has the meaning set forth in Section 1.01 hereof.

"Company" means Kansas City Power & Light Company, a corporation organized and existing under the laws of the State of Missouri.

"Corresponding Accrued Interest Advances" has the meaning set forth in Section 1.10(c) hereof.

"Custodian" means Chemical Bank, as custodian under the Custody Agreement.

"Custody Agreement" means the Custody Agreement dated as of October 1, 1987, between the Company and the Custodian and all amendments, modifications and supplements thereto.

"Domestic Advance" means a Tender Advance bearing interest at the Domestic Rate.

"Domestic Rate" means an interest rate equal to the Prime Rate.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurodollar Advance" means a Tender Advance bearing interest at the Eurodollar Rate.

"Eurodollar Rate" during any Interest Period for any Tender Advance means an interest rate per annum equal at all times during each Interest Period for such Tender Advance to 1/2 of 1% per annum above the LIBO Rate.

"Event of Default" shall have the meaning set forth in Section 5.01 hereof.

"Final Draft" has the meaning set forth in the Letter of Credit.

"Indenture" means the Indenture of Trust dated as of October 1, 1987, between the Issuer and Chemical Bank, as trustee and all amendments, modifications and supplements thereto.

"Interest Advance" has the meaning set forth in Section 1.05(a) hereof.

"Interest Draft" has the meaning set forth in the Letter of Credit.

"Interest Period" has the meaning set forth in Section 1.09(a) hereof.

"Issuer" means the City of Burlington, Kansas.

"Lease" means the Equipment Lease Agreement dated as of October 1, 1987, between the Issuer and the Company, and all amendments, modifications and supplements thereto.

"Letter of Credit" means the irrevocable, transferable letter of credit issued by the Bank in substantially the form of Exhibit A hereto and any successor letter of credit as provided in such letter of credit.

"LIBO Rate" for any Interest Period means the rate of interest per annum at which deposits in United States dollars are offered to the Bank at its London, England branch by prime banks in the London Interbank Market for a period equal to the duration of such Interest Period relating to any Advance at or about 11:00 a.m. (London time) two Business Days before the first day of such Interest Period.

"Mortgages" has the meaning set forth in Section 4.02(a) hereof.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Obligation" of any person or entity means (i) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such person otherwise assures a creditor against loss, (ii) obligations under leases in respect of which obligations such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such person otherwise assures a creditor against loss, and (iii) liabilities in respect of unfunded vested benefits under each Plan maintained for employees of such person and covered by Title IV of ERISA.

"Official Statement" has the meaning set forth in Section 3.01(g).

"Participant" means any bank or other financial institution which has purchased from the Bank a participation in this Agreement or the Letter of Credit.

"Plan" means an employee benefit plan (other than a Multiemployer Plan) maintained for employees of the Company or any Affiliate and covered by Title IV of ERISA.

"Preliminary Official Statement" has the meaning set forth in Section 3.01(g).

"Prime Rate" means the rate of interest per annum from time to time designated by the Bank at its principal office in Houston, Texas as its "prime rate," whether or not such "prime rate" is actually charged by the Bank, with all changes therein to be effective on the date announced.

"Purchase Advance" has the meaning set forth in Section 1.04(a) hereof.

"Purchase Draft" has the meaning set forth in the Letter of Credit.

"Redemption Advance" has the meaning set forth in Section 1.04(a) hereof.

"Redemption Draft" has the meaning set forth in the Letter of Credit.

"Related Documents" has the meaning set forth in Section 1.17(i) hereof.

"Reserve Percentage" for any Interest Period for any CD Bid Advance or Term CD Bid Advance is that percentage which is specified on the first day of such Interest Period by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement for the Bank with respect to liabilities consisting of or including (among other liabilities) U.S. dollar nonpersonal time deposits in the United States in an amount of \$1,000,000 or more and with a maturity equal to such Interest Period, together with any marginal, emergency, supplemental, special or other reserve that the Bank, in its sole discretion, determines that it is required to maintain on such day for deposits with a maturity equal to such Interest Period.

"Scheduled Termination Date" means August 18, 1996, or such later date to which the term of the Letter of Credit is extended pursuant to Section 1.16 of this Agreement.

"Sublease" means the Equipment Sublease Agreement dated as of October 1, 1987, between the Issuer and the Company and all amendments, modifications and supplements thereto.

"Tender Advance" has the meaning set forth in Section 1.03(a) hereof.

"Tender Draft" has the meaning set forth in the Letter of Credit.

"Term Advance" has the meaning set forth in Section 1.04(a) hereof.

"Term CD Bid Advance" means a Term Advance bearing interest at the Term CD Bid Rate.

"Term CD Bid Rate" during any Interest Period for any Term CD Bid Advance means an interest rate per annum equal at all times during each Interest Period for such Term CD Bid Advance to 3/4 of 1% above the CD Bid Formula.

"Term Eurodollar Advance" means a Term Advance bearing interest at the Term Eurodollar Rate.

"Term Eurodollar Rate" during any Interest Period for any Term Eurodollar Advance means an interest rate per annum equal at all times during each Interest Period for such Term Advance to 5/8 of 1% per annum above the LIBO Rate.

"Term Rate" means an interest rate equal to 1/8 of 1% per annum above the Prime Rate.

"Termination Date - Letter of Credit" means the earliest of (i) the date on which the Trustee surrenders the Letter of Credit for cancellation, (ii) the date on which the Bank honors a Redemption Draft for all the Bonds, (iii) the date on which the Bank honors a Final Draft, (iv) the close of business on the date on which the Bank receives written notice that all the Bonds have been converted to the

Fixed Interest Rate within the meaning of the Indenture, (v) the date on which the Bank receives notice that there is no longer any Bond outstanding, (vi) the date the Bank receives written notice of the substitution of an alternate Letter of Credit in accordance with the Indenture, and (vii) the Scheduled Termination Date.

"Termination Event" means (i) a Reportable Event described in Section 4043 of ERISA and the regulations issued thereunder (other than a Reportable Event not subject to the provision for 30-day notice to the PBGC under such regulations), or (ii) the withdrawal of the Company or any of its Affiliates from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC, or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Trustee" means Chemical Bank, as trustee under the Indenture.

ARTICLE VII MISCELLANEOUS

SECTION 7.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.02. Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing and mailed, sent or delivered, if to the Company, at its address at 1201 Walnut, Kansas City, Missouri 64106 Attention: Treasurer, facsimile: (816)556-2992; and if to the Bank, at its address at 909 Fannin Street, Suite 1700, Houston, Texas, 77010 Attention: Manager, Agency or facsimile: (713)951-9921 and a copy to 31 West 52nd Street, New York, New York, 10019, or if to the Trustee, mailed or delivered to it, addressed to it at 450 W. 33rd Street, New York, New York, 10001, Attention: Corporate Trustee Administration Department, or facsimile: (212)971-8567; or as to each party, to such other party and/or at such other address as shall be designated by such person in a written notice to the other party. All such notices and communications shall be effective when mailed or sent, addressed as aforesaid, except that notices to the Bank pursuant to the provisions of Article I shall not be effective until received by the Bank, and any notice to the Trustee pursuant to Section 5.02(ii) shall not be effective until received by the Trustee. Notices of any Event of Default shall be sent by the Company to the Bank by telex.

SECTION 7.03. No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.04. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted United States accounting principles consistently applied and in effect on the date hereof.

SECTION 7.05. Indemnification. The Company hereby indemnifies and holds the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Bank may incur or which may be claimed against the Bank by any person or entity:

(a) by reason of any inaccuracy in any material respect, or any untrue statement or alleged untrue statement of any material fact, contained in the Preliminary Official Statement or the Official Statement or any amendment or supplement thereto, or by reason of the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading; provided, however, that, in the case of any action or proceeding alleging an inaccuracy in a material respect, or an untrue statement, with respect to information supplied by and describing the Bank in the Preliminary Official Statement or the Official Statement (the "Bank Information"), or an omission or alleged omission to state therein a material fact necessary to make the statements in the Bank Information, in the light of the circumstances under which they were made, not misleading, (i) indemnification by the Company pursuant to this Section 7.05(a) shall be limited to the costs and expenses of the Bank (including reasonable fees and expenses of the Bank's counsel) of defending itself against such allegation, (ii) if in any such action or proceeding it is finally determined that the Bank Information contained an inaccuracy in any material respect or an untrue statement of a material fact or omitted to state therein a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, then the Company shall not be required to indemnify the Bank pursuant to this Section 7.05(a) for any claims, damages, losses, liabilities, costs or expenses (including reasonable fees and expenses of counsel) to the extent caused by such inaccuracy, untrue statement or omission, and (iii) if any such action or proceeding shall be settled by the Bank without there being a final determination to the effect described in the preceding clause (ii), then the Company shall be required to indemnify the Bank pursuant to this Section 7.05(a) only if such action or proceeding is settled with the Company's consent; or

(b) by reason of or in connection with the execution, delivery or performance of the Bonds, the Indenture, the Lease or the Sublease, or any transaction contemplated by the Indenture, the Lease or the Sublease; or

(c) by reason of or in connection with the execution and delivery or transfer of, or payment or failure to make lawful payment under, the Letter of Credit; provided, however, that the Company shall not be required to indemnify the Bank pursuant to this section 7.05(c) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (i) the Bank's willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's willful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit.

Nothing in this Section 7.05 is intended to limit the Company's obligations contained in Article I. Without prejudice to the survival of any other obligation of the Company hereunder, the indemnities and obligations of the

Company contained in this Section 7.05 shall survive the payment in full of amounts payable pursuant to Article I and the termination of the Letter of Credit.

SECTION 7.06. Liability of the Bank. The Company assumes all risks of the acts or omissions of the Trustee and any beneficiary or transferee of the Letter of Credit with respect to its use of the Letter of Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Letter of Credit or any acts or omissions of the Trustee and any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank against presentation of documents which do not comply with the terms of the Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except that the Company shall have a claim against the Bank, and the Bank shall be liable to the Company, to the extent of any direct, as opposed to consequential, damages suffered by the Company which the Company proves were caused by (i) the Bank's wilful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's wilful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

SECTION 7.07. Costs, Expenses and Taxes. The Company agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, filing, recording and administration of this Agreement and any other documents which may be delivered in connection with this Agreement, including, without limitation, the reasonable costs incurred with each transfer of the Letter of Credit, the reasonable fees and out-of-pocket expenses of counsel for the Bank, and local counsel who may be retained by said counsel, with respect thereto and with respect to advising the Bank as to its rights and responsibilities under this Agreement and all costs and expenses (including reasonable counsel fees and expenses) in connection with (i) the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement or (ii) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit. In addition, the Company shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and such other documents, and agrees to save the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees except for any penalties incurred as a result of the Bank's failure to notify the Company of such stamp or other taxes or fees payable by the Company of which the Bank has knowledge.

SECTION 7.08. Binding Effect. This Agreement shall become effective when it shall have been executed by the Company and the Bank and thereafter shall be binding upon and inure to the benefit of the Company and the Bank and their respective successors and assigns, except that the Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank. The Bank may, at its own expense, assign (by way of participation or otherwise) to any financial institution all or any part of, or any interest (undivided or divided) in, the Bank's rights and benefits under this Agreement and the Letter of Credit, and to the extent of any such assignment, any such assignee shall have the same rights and benefits against the Company hereunder and under the Letter of Credit as it would have had if such assignee were the Bank issuing or paying under the Letter of Credit hereunder.

SECTION 7.09. Waiver. The Bank waives any statutory right which it may have to set off and apply any deposits of the Company or other indebtedness of the Company if, when and after there shall be a drawing under the Letter of Credit during the pendency of any proceeding by or against the Company seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property.

SECTION 7.10. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

SECTION 7.11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 7.12. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

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

KANSAS CITY POWER & LIGHT COMPANY

By _____
Senior Vice President

THE TORONTO-DOMINION BANK

By _____
Title: _____

By _____
Title: _____

EXHIBIT A
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

No. 1108

August 19, 1993

Chemical Bank
450 W. 33rd Street
New York, New York 10001

Attention: Corporate Trustee Administration Department

Dear Ladies and Gentlemen:

We hereby establish at the request and for the account of Kansas City Power & Light Company, a Missouri corporation (the "Company"), in your favor, as Trustee under the Indenture of Trust dated as of October 1, 1987 (the "Indenture") between the City of Burlington, Coffey County, Kansas (the "Issuer") and you, pursuant to which \$50,000,000 in aggregate principal amount of the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987A (Kansas City Power & Light Company Project) (the "Bonds"), are being issued, our Irrevocable Letter of Credit No. 1108, in the amount of \$54,684,931.51 (as more fully described below), effective immediately and expiring at the close of business at our 909 Fannin Street, Suite 1700, Houston, Texas, 77010, office on August 18, 1996 or such later date as we may agree upon in a writing delivered to you (the "Scheduled Termination Date") unless sooner terminated in accordance with the terms hereof.

We hereby irrevocably authorize you to draw on us, in an aggregate amount not to exceed the amount of this Letter of Credit as set forth above and in accordance with the terms and conditions and subject to the reductions in amount as hereinafter set forth, as follows:

(1) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex A attached hereto (any such draft accompanied by such certificate being your "Interest Draft"), an amount not exceeding \$4,684,931.51;

(2) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex B attached hereto (any such draft accompanied by such certificate being your "Tender Draft"), an aggregate amount not exceeding \$54,684,931.51;

(3) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex C attached hereto (any such draft accompanied by such certificate being your "Redemption Draft"), an aggregate amount not exceeding \$50,000,000;

(4) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex D attached hereto (such draft accompanied by such certificate being your "Purchase Draft"), an aggregate amount not exceeding \$50,000,000;

(5) in a single drawing by your draft, accompanied by your signed and appropriately completed certificate in the form of Annex E attached hereto (such draft accompanied by such certificate being your "Final Draft"), an amount not exceeding \$54,684,931.51.

Upon our honoring any Interest Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Interest Draft, Tender Draft, or Final Draft shall be automatically decreased by an amount equal to the amount of such Interest Draft. If you shall not have received from us within 15 calendar days from the date of such drawing a notice from us to the effect that we have not been reimbursed for such drawing in the form of Annex F attached hereto appropriately completed, the amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Interest Draft, Tender Draft, or Final Draft shall be automatically and irrevocably reinstated in the amount of such drawing, effective the 16th calendar day from the date of such drawing; provided however, this reinstatement shall not apply to amounts drawn by an Interest Draft in connection with Bonds being redeemed with amounts drawn by a Redemption Draft.

Upon our honoring any Redemption Draft or Purchase Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Tender Draft, Redemption Draft, Purchase Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Redemption Draft or Purchase Draft. Upon our honoring any Tender Draft presented by you hereunder, (i) the amount of this Letter of Credit and the amounts available to be drawn by any subsequent Tender Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Tender Draft and (ii) the amounts available to be drawn by any subsequent Redemption Draft and Purchase Draft shall be automatically decreased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying such Tender Draft.

The amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Tender Draft or Final Draft shall be increased when and to the extent, but only when and to the extent, that we are reimbursed by you, but only from amounts available to you under the Indenture, on behalf of the Company for amounts drawn hereunder by any Tender Draft or Purchase Draft. The amounts from time to time available to be drawn by you by any Redemption Draft or Purchase Draft shall be increased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying any Tender Draft or paragraph 3 of a Certificate accompanying any Purchase Draft when and to the extent, but only when and to the extent, that we are reimbursed by you, but only from amounts available to you under the Indenture, on behalf of the Company for amounts drawn hereunder by any such Tender Draft or Purchase Draft. Any amount received from you on behalf of the Company in reimbursement of amounts drawn hereunder shall, if accompanied by an appropriately completed and signed certificate in the form of Annex H attached hereto from you, be applied to the extent of the amounts indicated therein in reimbursement of unreimbursed drawings under your Tender Drafts or Purchase Drafts. Amounts otherwise received from you on behalf of the Company shall be applied in reimbursement of unreimbursed drawings made by your Interest Draft.

The amount of this Letter of Credit and the amounts available to be drawn by you by any Interest Draft, Tender Draft, Redemption Draft, Purchase Draft, and Final Draft shall be decreased upon our receipt of notice from you, in the form of your written and appropriately completed certificate signed by you in the form of Annex G attached hereto, of a redemption or defeasance of less than all of the Bonds outstanding, to the respective amounts stated in such certificate.

Each draft and certificate shall refer thereon to the number of this Letter of Credit and shall be dated the date of its presentation, and shall be drawn and presented at our office located at 909 Fannin Street, Suite 1700, Houston, Texas, 77010 Attention: Manager, Agency (or any office which may be designated by us by written notice delivered to you). If we receive any of your drafts and certificates at such office (including receipt by facsimile which must be followed by hard copy in overnight mail), all in strict conformity with the terms and conditions of this Letter of Credit, on or prior to the termination hereof and in any event on or before 11:00 a.m. (Houston time) on a Banking Day, we will honor the same on or before 3:00 p.m. (Houston time) the same day in accordance with your payment instructions. If we receive any of your drafts and certificates at such office (including receipt by facsimile which must be followed by hard copy in overnight mail), all in strict conformity with the terms and conditions of this Letter of Credit, after 11:00 a.m. (Houston time) on a Banking Day prior to the termination hereof, we will honor the same by 12:00 p.m. (Houston time) on the next succeeding Banking Day in accordance with your payment instructions. If requested by you, payment under this Letter of Credit may be made by wire transfer of immediately available funds to your account in a bank or by deposit of same day funds into a designated account that you maintain with us. The term "Banking Day" means any day of the year other than a Saturday, Sunday or a day on which banks are required or authorized to close in New York City or Houston, Texas. All payments paid under this Letter of Credit shall be paid with our own funds.

Upon the earliest of (i) our honoring your Final Draft presented hereunder, (ii) the surrender to us by you of this Letter of Credit for cancellation, (iii) our honoring your Redemption Draft for all of the Bonds, (iv) the close of business on the date on which we receive written notice from you that all of the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which we receive written notice from you that there is no longer any Bond outstanding, (vi) the date on which we receive written notice from you of the delivery of an alternate letter of credit in accordance with the Indenture, and (vii) the Scheduled Termination Date, this Letter of Credit shall automatically terminate.

This Letter of Credit is transferable in its entirety, but not in part, to any transferee who you certify has succeeded you as Trustee under the Indenture and may be successively transferred by such transferee. Transfer of the available balance under this Letter of Credit to such transferee shall

be effected by the presentation to us of this Letter of Credit accompanied by a certificate in the form of Annex I attached hereto appropriately completed. Upon such presentation we shall forthwith transfer the same to your transferee or, if so requested by your transferee, issue an irrevocable letter of credit to your transferee with provisions therein consistent with this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the certificates and the drafts referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts.

To the extent not inconsistent with the express terms hereof, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credit, International Chamber of Commerce, Publication 400 (1983 revision) and, as to matters not covered therein, by the laws of the State of New York, including without limitation the Uniform Commercial Code as in effect in the State of New York. Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at 909 Fannin Street, Suite 1700, Houston, Texas, 77010, Attention: Manager, Agency, specifically referring to the number of this Letter of Credit.

Anything to the contrary in Article 45 of the Uniform Customs notwithstanding this Letter of Credit is intended to remain in full force and effect until it expires in accordance with its terms. Any failure by you or any successor trustee or co-trustee under the Indenture to draw upon this Letter of Credit with respect to a scheduled interest payment on the Bonds in accordance with the terms and conditions of the Indenture shall not cause this Letter of Credit to be unavailable for any future drawing in accordance with the terms and conditions of the Indenture.

Very truly yours,

THE TORONTO-DOMINION BANK

By _____
Title: _____

By _____
Title: _____

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS")

Irrevocable Letter of Credit No. 1108

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to (a) payment(s) of interest on the Bonds, including, without limitation, accrued interest due upon the redemption of Bonds, to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive of Section 404 of the Indenture, which payment(s) is [are]* due on [_____].** [CP Dates (as defined in the Indenture) established for the current calendar month, and this drawing is also with respect to other amounts to be drawn under Section 405(f) of the Indenture.]* Payment of such amount is to be made to us on the same Banking Day if the Certificate and Interest Draft are presented to you no later than 11:00 a.m. (Houston time). If presentation is after 11:00 a.m. (Houston time), payment of such amount is to be made on the next Banking Day. None of the Bonds, in respect of which such drawing is being made, were registered in the name of the Company or were held on behalf of the Company under the Custody Agreement on the Record Date within the meaning of the Indenture.

(3) The amount of the Interest Draft accompanying this Certificate is equal to \$_____. It was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not include any amount of interest on the Bonds which is included in any Final Draft presented on the date of this Certificate.

* To be used while the Bonds bear interest at the CP Rate.

** Insert date; to be used if drawing is not under Section 405(f) of the Indenture.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A TENDER PURSUANT TO SECTIONS 301, 302, 303, 304 AND 305 OF THE INDENTURE.

Irrevocable Letter of Credit No. 1108

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment of (i) the purchase price equal to the unpaid principal amount of the Bonds to be purchased as a result of a tender on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture) pursuant to the terms of Sections 301, 302, 303, 304 and 305 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and (ii) the purchase price equal to the amount of interest accrued and unpaid to the purchase date from the immediately preceding Interest Accrual Date (as defined in the Indenture), to the extent moneys are not available from the sources set forth in clauses (i) through (iii), inclusive, of Section 306 of the Indenture, which payment is due on the same Banking Day if the Certificate and Tender Draft are presented not later than 11:00 a.m. (Houston time), or which payment is due on the next succeeding Banking Day if the Certificate and Tender Draft are presented after the time deadline referred to above.

(3) The amount of the Tender Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be purchased as a result of a tender pursuant to Sections 301, 302, 303, 304, and 305 of the Indenture and (ii) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the accrued and unpaid interest on such Bonds and does not include any amount of interest which is included in any Tender Draft (unless such amount has been reinstated by the Bank) or Final Draft presented on or prior to the date of this Certificate.

(4) The amount of the Tender Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") UPON REDEMPTION

Irrevocable Letter of Credit No. 1108

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon redemption [of all] [less than all]* of the Bonds on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be redeemed pursuant to the terms of Sections 310, 311 or 312 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) and (ii), of Section 404 of the Indenture, which payment is due on the same Banking Day if the Certificate and Redemption Draft are presented not later than 11:00 a.m. (Houston time), or which payment is due on the next succeeding Banking Day if the Certificate and Redemption Draft are presented after the time deadline referred to above.

(3) The amount of the Redemption Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be redeemed.

(4) The amount of the Redemption Draft accompanying this Certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn under the Letter of Credit.

* Insert appropriate description.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A PURCHASE

Irrevocable Letter of Credit No. 1108

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be purchased by the Company in lieu of redemption pursuant to the terms of Section 314 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii) of Section 306 of the Indenture, which payment is due on the same Banking Day if the Certificate and Purchase Draft are presented not later than 11:00 a.m. (Houston time), or which payment is due on the next succeeding Banking Day if the Certificate and Purchase Draft are presented after the time deadline referred to above.

(3) The amount of the Purchase Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) to be purchased by the Company in lieu of redemption.

(4) The amount of the Purchase Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this
Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987A (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS"), UPON STATED OR ACCELERATED MATURITY

Irrevocable Letter of Credit No. 1108

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank, (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

- (1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.
- (2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon stated or accelerated maturity of the unpaid principal amount of, and, to the extent such payment is not due on an Interest Payment Date within the meaning of the Indenture, of accrued and unpaid interest on, all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii) of Section 404 of the Indenture, which payment is due on the same Banking Day if the Certificate and Final Draft are presented not later than 11:00 a.m. (Houston time), or which payment is due on the next succeeding Banking Day if the Certificate and Final Draft are presented after the time deadline referred to above.
- (3) The amount of the Final Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of unpaid principal of all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and (ii) \$_____ being drawn in respect of the payment of accrued and unpaid interest on such Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or the Custodian on behalf of the Company) and does not include any amount of interest which is included in any Interest Draft or Tender Draft (unless such amount has been reinstated by the Bank), presented on or prior to the date of this Certificate.
- (4) The amount of the Final Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

NOTICE THAT TRUSTEE'S RIGHT TO DRAW
UNDER THE LETTER OF CREDIT BY AN
INTEREST DRAFT HAS NOT BEEN REINSTATED

Chemical Bank
450 W. 33rd Street
New York, New York 10001

Attention: Corporate Trustee Administration Department

Irrevocable Letter of Credit No. 1108

Dear Sirs:

You are hereby advised that Kansas City Power & Light Company has not reimbursed us in an amount equal to the amount drawn by you under the Interest Draft dated _____, 19____. Therefore, the amount of our Irrevocable Letter of Credit No. 1108 and the amounts available to be drawn by you by an Interest Draft, Tender Draft, or Final Draft (which available amounts have been decreased by an amount equal to the amount of such Interest Draft) shall not be reinstated in the amount of such Interest Draft.

CERTIFICATE FOR THE REDUCTION OF AMOUNTS AVAILABLE UNDER
LETTER OF CREDIT NO. 1108 DATED AUGUST 19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

- (1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.
- (2) The Trustee hereby notifies you that on or prior to the date hereof \$_____ principal amount of the Bonds have been redeemed or defeased and paid pursuant to the Indenture.
- (3) Following the redemption or the defeasance and payment referred to in paragraph (2) above, the aggregate principal amount of all of the Bonds outstanding is \$_____.
- (4) The maximum amount of interest (computed at 12% per annum for a period of 285 days computed on the basis of a 365 day year) accruing on the Bonds referred to in paragraph (3) above is \$_____.
- (5) The amount available to be drawn by the Trustee under the Letter of Credit by any Interest Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (4) above) upon receipt by the Bank of this Certificate.
- (6) The amount available to be drawn by the Trustee under the Letter of Credit by any Tender Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.
- (7) The amount available to be drawn by the Trustee under the Letter of Credit by any Redemption Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).
- (8) The amount available to be drawn by the Trustee under the Letter of Credit by any Purchase Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).
- (9) The amount available to be drawn by the Trustee under the Letter of Credit by its Final Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.
- (10) The amount of the Letter of Credit is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraph (3) and (5) above) upon receipt by the Bank of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR THE REINSTATEMENT OF AMOUNTS AVAILABLE
UNDER IRREVOCABLE LETTER OF CREDIT NO. 1108 DATED AUGUST
19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to The Toronto-Dominion Bank (the "Bank"), with reference to Irrevocable Letter of Credit No. 1108 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The amount of \$_____ paid to you today by the Trustee on behalf of the Company is a payment made to reimburse you pursuant to Section 1.10[(c)]* [(d)]** of the Letter of Credit and Reimbursement Agreement, dated as of August 19, 1993 (the "Reimbursement Agreement"), between the Company and the Bank, for amounts drawn under the Letter of Credit by [Tender Drafts]* [Purchase Drafts]**

(3) Of the amount referred to in paragraph (2), \$_____ represents the principal amount of Bonds.

[(4) Of the amount referred to in paragraph (2), \$_____ represents accrued interest on Bonds calculated in accordance with clause (ii) of Section 1.10(c) of the Reimbursement Agreement.]*

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

* To be used in connection with reimbursement for amounts drawn under Tender Drafts.

** To be used in connection with reimbursement for amounts drawn under Purchase Drafts.

INSTRUCTION TO TRANSFER

_____, 19__

Attention: Letter of Credit Operations

Re: Irrevocable Letter of Credit No. 1108

Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to:

[Name of Transferee]

[Address]

all rights of the undersigned beneficiary to draw under the above-captioned Letter of Credit (the "Letter of Credit"). The transferee has succeeded the undersigned as Trustee under the Indenture (as defined in the Letter of Credit).

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof; provided, however, that no rights shall be deemed to have been transferred to the transferee until such transfer complies with the requirements of the Letter of Credit pertaining to transfers.

The Letter of Credit is returned herewith and in accordance therewith we ask that this transfer be effective and that you transfer the same to our transferee or that, if so requested by the transferee, you issue a new irrevocable letter of credit in favor of the transferee with provisions consistent with the Letter of Credit.

Very truly yours,

CHEMICAL BANK,

as predecessor Trustee

By _____
[Name and title]

EXHIBIT B
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF COUNSEL FOR THE COMPANY

August 19, 1993

The Toronto-Dominion Bank
31 West 52nd Street
New York, NY 10019-6101

RE: \$50,000,000 City of Burlington, Kansas Customized Purchase Pollution
Control Revenue Refunding Bonds (Kansas City Power & Light Project)
Series 1987A

Kansas City Power & Light Company

Gentlemen:

I am Chief Legal Officer of Kansas City Power & Light Company, a Missouri corporation (the "Company"), and am familiar with the matters relating to the preparation, execution and delivery of a Letter of Credit and Reimbursement Agreement which terms shall include the fee letter executed pursuant to Section 1.11 thereof (the "Reimbursement Agreement") dated as of August 19, 1993, between the Company and The Toronto-Dominion Bank (the "Bank"). Among other things, I have examined:

- (1) a fully executed counterpart of the Reimbursement Agreement;
- (2) the fully executed Letter of Credit;
- (3) the fully executed Indenture;
- (4) the fully executed Lease;
- (5) the fully executed Sublease;
- (6) the fully executed Custody Agreement and Amendment No. 1

thereto;

(7) the Articles of Incorporation of the Company and all amendments thereto (the "Charter");

(8) the by-laws of the Company as now in effect (the "By-laws");

and

(9) the Company's corporate proceedings and the proceedings before the public utility regulatory commissions of the States of Missouri and Kansas relating to the Reimbursement Agreement and related matters.

I have also examined the originals, or copies certified to my satisfaction, of (i) such other corporate records of the Company, certificates of public officials and of officers of the Company, (ii) the agreements, instruments and documents which affect or purport to affect the obligations of the Company under the Reimbursement Agreement, and (iii) such other agreements, instruments and documents as we have deemed necessary as a basis for the opinions hereinafter expressed. I have assumed the due execution and delivery, pursuant to due authorization, of the Reimbursement Agreement by the Bank. All capitalized terms used herein and defined in the Reimbursement Agreement are used herein as therein defined.

Based upon the foregoing and upon such investigation as I have deemed necessary, I am of the opinion that:

(1) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.

(2) The execution, delivery and performance by the Company of the Reimbursement Agreement and each Related Document to which it is a party are within the Company's corporate power, have been duly authorized by all necessary corporate action, do not contravene (i) the Charter or the By-laws, or (ii) any law, rule or regulation applicable to the Company, or (iii) any contractual or legal restriction (including, but not limited to, the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to the Reimbursement Agreement and the Related Documents) upon or with respect to any of its properties. The Reimbursement Agreement and each Related Document to which the Company is a party have been duly executed and delivered on behalf of the Company.

(3) The public utility regulatory commissions of the States of Missouri and Kansas have duly current issued orders authorizing the Company to enter into the Reimbursement Agreement, and the commissions have duly issued previous orders authorizing the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which the Company is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, no other authorization, approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body (other than for informational purposes) is required for the due execution, delivery and performance by the Company of the Reimbursement Agreement or any Related Document to which it is a party.

(4) The Reimbursement Agreement and each Related Document to which the Company is a party are the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.

(5) Except as disclosed on in the Company's Form 10-K for the year 1992, Forms 10-Q for the quarters March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of my knowledge, threatened action or proceeding before any court, governmental agency or arbitrator against, directly involving or affecting the Company or any of its subsidiaries, which, in any case, may materially and adversely affect the financial condition or operations of the Company.

The opinions set forth above are subject to the following qualifications:

(a) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party is subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.

(b) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party, may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

I am not licensed to practice law in the State of New York or the State of Kansas. With respect to the Reimbursement Agreement and the Related Documents and any other document to which the laws of either the State of New York or the State of Kansas are applicable, I have assumed for purposes of this opinion that such laws (other than conflict of laws) are substantially similar to the laws of the State of Missouri. With respect to the conclusions set forth herein, I express no opinions as to any laws other than the laws of the State of Missouri and the Federal laws of the United States.

Very truly yours,

EXHIBIT C
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF BOND COUNSEL

[Letterhead of Chapman and Cutler]

August 19, 1993

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106

Chemical Bank
450 West 33rd Street
New York, New York 10001

The Toronto-Dominion Bank
31 West 52nd Street
New York, New York 10019-6101

Re: \$50,000,000 City of Burlington, Kansas Customized Purchase Pollution
Control Revenue Refunding Bonds, Series 1987A (Kansas City Power &
Light Company Project)

Ladies and Gentlemen:

The above-referenced bonds (the "Bonds") were issued under and are secured by an Indenture of Trust dated as of October 1, 1987 (the "Indenture"), between the City of Burlington, Kansas (the "Issuer") and Chemical Bank, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.

Kansas City Power & Light Company (the "Company") has requested we provide the opinion of Bond Counsel required by Section 4.4 of the Series 1987A Equipment Sublease Agreement dated as of October 1, 1987 (the "Sublease") between the Issuer and the Company and Section 405(c) of the Indenture with respect to the issuance of Letter of Credit No. 1108 of even date herewith (the "Letter of Credit") issued by The Toronto-Dominion Bank (the "Bank").

On the basis of our review of the Letter of Credit, the Indenture, the Sublease, photocopies of various counsel opinions dated October 29, 1987 (which have been identified as authentic copies of the original opinions and of which we have assumed the authenticity), and such other documents as we have considered necessary, we are of the opinion that the delivery of the Letter of Credit is authorized under the Sublease and complies with its terms.

We express no opinion as to whether the Letter of Credit is a legal, valid, binding and enforceable obligation of the Bank in accordance with its terms.

Respectfully submitted,

AGBacon

EXHIBIT D
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

ENCUMBRANCES

(i) the Lien of the Mortgages;

(ii) liens for taxes or assessments by governmental bodies not yet due or the payment of which is being contested in good faith by the Company, provided that the Company shall have set aside on its books reserves deemed by it to be adequate with respect to any such tax or assessment so being contested;

(iii) any right of any municipal or other governmental body or agency, by virtue of any franchise, grant, license, contract or statute, to occupy, purchase or designate a purchaser of, or to order the sale of, any mortgaged property upon payment of reasonable compensation therefor, or to terminate any franchise, grant, license, contract or other right, or to regulate the property and business of the Company;

(iv) liens and charges incidental to construction or current operations of the Company which are not delinquent or, whether or not delinquent, are being contested in good faith by the Company;

(v) easements, reservations or right of way, and zoning ordinances, regulations and restrictions, if they do not, individually or in the aggregate, impair the utility of the affected property in the operation of the business of the Company;

(vi) irregularities in or defects of title with respect to any rights of way acquired by the Company for lines, structures and appurtenances thereto, if the Company has obtained from the apparent owner of the real estate traversed by any such right of way a sufficient right, by the terms of the instrument granting such right of way, to the use thereof for the purpose of such lines, structures and appurtenances, or the Company has eminent domain power to remove or cure such irregularities or deficiencies;

(vii) liens securing obligation neither (A) assumed by the Company nor (B) on account of which it customarily pays interest, directly or indirectly, existing upon real estate, or rights in or relating to real estate acquired by the Company for right of way for lines, structures and appurtenances thereto;

(viii) party-wall agreements and agreements for and obligations relating to the joint or common use of property owned solely by the Company or owned by the Company in common or jointly with one or more parties;

(ix) liens securing indebtedness incurred by a Person, other than the Company, which indebtedness has been neither assumed nor guaranteed by the Company nor on which it customarily pays interest, existing on property which the Company owns jointly or in common with such Person or such Person and others, if there is an effective bar against partition of such property which would preclude the sale of such property by such other Person or the holder of such lien without the consent of the Company;

(x) any attachment, judgment and other similar lien arising in connection with court proceedings in an amount not in excess of the greater of \$10,000,000 or 5% of the principal amount of the outstanding bonds at the time such attachment, judgment or lien arises, or the execution of which has been stayed or which has been appealed and secured, if necessary, by an appeal bond;

(xi) the burdens of any law or governmental rule, regulation, order or permit requiring the Company to maintain certain facilities or to perform certain acts as a condition of its occupancy or use of, or interference with, any public or private lands or highways or any river, stream or other waters;

(xii) any duties or obligations of the Company to any federal state or local or other governmental authority with respect to any franchise, grant, license or permit which affects any mortgaged property;

(xiii) liens in favor of a governmental or governmental entity securing (A) payments pursuant to a statute (other than taxes), or (B) indebtedness incurred to finance all or part of the purchase price or cost of construction of the property subject to such lien; and

(xiv) possible adverse rights or interests and inconsequential defects or irregularities in title which, in an opinion of counsel may properly be disregarded.

LETTER OF CREDIT AND
REIMBURSEMENT AGREEMENT

between

KANSAS CITY POWER & LIGHT COMPANY

and

DEUTSCHE BANK AG, ACTING THROUGH ITS
NEW YORK AND CAYMAN ISLANDS BRANCHES

dated as of August 19, 1993

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LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT dated as of August 19, 1993, between KANSAS CITY POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Missouri (the "Company"), and DEUTSCHE BANK AG, ACTING THROUGH ITS NEW YORK AND CAYMAN ISLANDS BRANCHES (the "Bank"). (Unless otherwise indicated, all capitalized terms used herein shall have the meaning referred to or set forth in Article VI hereof.)

WHEREAS, the Company requested the City of Burlington, Coffey County, Kansas (the "Issuer") to issue pursuant to an Indenture of Trust dated as of October 1, 1987 (the "Indenture"), naming Chemical Bank, as trustee (the "Trustee"), \$40,000,000 aggregate principal amount of the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987B (Kansas City Power & Light Company Project) (the "Bonds") to various purchasers (the "Bond Purchasers") to refinance a portion of the costs of acquisition, construction, and installation of certain air and water pollution control and sewage and solid waste disposal facilities (the "Project") in Coffey County, Kansas; and

WHEREAS, pursuant to an Equipment Lease Agreement (the "Lease") dated as of October 1, 1987, between the Company and the Issuer, the Company agreed to use the proceeds of the Bonds for the refinancing of the Project, and the Company leased the Project to the Issuer, and pursuant to an Equipment Sublease Agreement (the "Sublease") dated as of October 1, 1987, between the Issuer and the Company, the Project was subleased by the Issuer to the Company for payments to be made by the Company in such amounts and at such times as will be sufficient to timely pay the principal and interest on the Bonds; and

WHEREAS, in order to induce the Bond Purchasers to purchase the Bonds, the Company requested Barclays Bank PLC to issue its irrevocable transferrable letter of credit (the "Original Letter of Credit") in the amount of \$43,747,945.21 of which \$40,000,000 supports the payment of principal of the Bonds, and \$3,747,945.21 supports the payment of up to 285 days' accrued interest (computed at 12%) on the Bonds; and

WHEREAS, the Company has requested the Bank through its New York Branch to issue an Alternate Letter of Credit (the "Letter of Credit") in accordance with Section 4.4 of the Sublease to replace the Original Letter of Credit.

NOW, THEREFORE, in consideration of the premises and in order to induce the Bank to issue the Letter of Credit, the parties hereto agree as follows:

ARTICLE I
AMOUNT AND TERMS OF THE LETTER OF CREDIT

SECTION 1.01. The Letter of Credit. On the terms and conditions hereinafter set forth, the Bank agrees, upon the request of the Company, to issue the Letter of Credit dated August 19, 1993, through its New York Branch to the Trustee in an amount not to exceed \$43,747,945.21 (the "Commitment") and expiring on or before the Scheduled Termination Date.

SECTION 1.02. Reimbursement. (a) Subject to Section 1.03 in the case of a drawing under the Letter of Credit made pursuant to a Tender Draft and Section 1.04 in the case of a drawing under the Letter of Credit made pursuant to a Redemption Draft or a Purchase Draft and Section 1.05 in the case of a drawing under the Letter of Credit made pursuant to an Interest Draft, the Company hereby agrees to pay to the Bank by the close of business on the date on which the Bank paid any draft presented under the Letter of Credit (after the Bank shall have paid such draft) a sum equal to the amount so paid under the Letter of Credit.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Demand Advance made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.03. Tender Advances and Accrued Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Tender Draft and the conditions set forth in Section 2.03 shall have been fulfilled, that portion of such payment with respect to the amount of unpaid principal of the Bonds under such Tender Draft shall constitute a tender advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being a "Tender Advance" and collectively the "Tender Advances." The Company shall repay the aggregate unpaid principal amount of all Tender Advances on the Scheduled Termination Date. If the conditions set forth in Section 2.03 shall have been fulfilled, that portion of the payment equal to the accrued interest, if any, on the Bonds under such Tender Draft shall constitute an accrued interest advance made by the Bank to the Company on the date and in the amount of such payment, each such advance being an "Accrued Interest Advance" and collectively the "Accrued Interest Advances." The Company shall repay the unpaid principal amount of any Accrued Interest Advance and accrued interest thereon on the first business day of the next calendar month. If certified to the Bank by the Company as a payment being made pursuant to this Section 1.03(a), upon such repayment, the Bank shall reinstate the Letter of Credit in the principal amount of such Accrued Interest Advance being repaid. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Tender Advance and each Accrued Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(b) The Company shall pay interest on the unpaid principal amount of each Tender Advance from the date of such Tender Advance until such principal amount shall become due, at the Domestic Rate or the Eurodollar Rate as selected by the Company pursuant to Section 1.08. The Company shall pay interest on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, at the Domestic Rate.

SECTION 1.04. Redemption Advances and Purchase Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to a Redemption Draft and the conditions set forth in Section 2.03 shall have been fulfilled, such payment shall constitute a redemption advance made by the Bank to the Company on the date and in the amount of such payment, each such redemption advance being a "Redemption Advance" and collectively the "Redemption Advances." If the Bank shall make any payment under the Letter of Credit pursuant to a Purchase Draft and the conditions set forth in

Section 2.03 shall have been fulfilled, such payment shall constitute a purchase advance made by the Bank to the Company on the date and in the amount of such payment, such purchase advance being a "Purchase Advance" and collectively the "Purchase Advances". (Purchase Advances together with Redemption Advances are hereinafter sometimes referred to individually as a "Term Advance" and collectively as the "Term Advances.")

(b) The Company shall repay the aggregate unpaid principal amount of all Term Advances on the Scheduled Termination Date. The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Redemption Advance and Purchase Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

(c) The Company shall pay interest on the unpaid principal amount of each Term Advance from the date of such Term Advance until such principal amount shall become due, at the Domestic Rate or the Eurodollar Rate as selected by the Company pursuant to Section 1.08.

SECTION 1.05. Interest Advances. (a) If the Bank shall make any payment under the Letter of Credit pursuant to an Interest Draft, such payment shall constitute an interest advance made by the Bank to the Company on the date and in the amount of such payment, each such interest advance being an "Interest Advance" and collectively the "Interest Advances." The Company shall repay each Interest Advance on the same day such Interest Advance is made by the Bank, but in any event after the Bank honors a draw under the Letter of Credit pursuant to an Interest Draft related thereto.

(b) The Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Company resulting from each Interest Advance made from time to time and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account shall, in the absence of manifest error, be conclusive evidence of the existence and amounts of the obligations of the Company therein recorded.

SECTION 1.06. Interest on Overdue Amounts. Any amount payable pursuant to this Agreement which is not paid when due, whether at stated maturity, by acceleration or otherwise, shall bear interest from and including the date the same becomes due until such amount is paid in full, payable on demand, at such fluctuating interest rate at all times equal to the Alternate Base Rate plus 2%.

SECTION 1.07. Interest Payments. The Company shall pay interest in arrears on the unpaid principal amount of each Advance (other than an Accrued Interest Advance) from the date of such Advance until such principal amount shall become due, payable (i) quarterly on the last day of each March, June, September and December during the term thereof and on the Scheduled Termination Date, and (ii) in addition, on the last day of each Interest Period (as hereinafter defined) for such Advance if such Advance is a Eurodollar Advance. The Company shall pay interest in arrears on the unpaid principal amount of each Accrued Interest Advance from the date of such Accrued Interest Advance until such principal amount shall become due, payable on the first business day of the next calendar month.

SECTION 1.08. Selection of Interest Rates. Subject to Section 1.09(c) below, the Company may from time to time select for each Tender Advance or for each Term Advance in an unpaid principal amount equal to or greater than \$1,000,000 either the Domestic Rate or the Eurodollar Rate, provided that the Company shall also select a Business Day on which the Domestic Rate or the Eurodollar Rate, as the case may be, shall begin for such Tender Advance or for such Term Advance and that telephonic notice thereof (such notice to be confirmed by the Company immediately in writing) is given to the Bank on or before such Business Day in the case of selection of the Domestic Rate, and at least four Business Days prior to such Business Day in case of selection of the Eurodollar Rate. The interest rate selected for any Tender Advance or for any Term Advance by the Company pursuant to this Section 1.08 shall continue thereafter in effect for such Tender Advance or for such Term Advance until the Business Day which the Company shall subsequently select pursuant hereto as the Business Day on which another interest rate hereunder shall begin for such Tender Advance or for such Term Advance. If during the term of any Tender Advance or any Term Advance the Company changes the interest rate for such Tender Advance or such Term Advance from the Eurodollar Rate to the Domestic Rate, the Business Day on which the Domestic Rate shall then begin shall be the last day of the Interest Period for such Tender Advance or such Term Advance. In the event that the Tender Advance or the Term Advance shall be in an amount less than \$1,000,000 or the Company shall fail to select an interest rate, the interest rate shall be the Domestic Rate.

SECTION 1.09. Interest Periods. (a) If and so long as the Eurodollar Rate shall be selected for any Tender Advance or Term Advance, the period between the Business Day on which such rate shall then begin for such Eurodollar Advance and the date of payment in full of such Eurodollar Advance shall be divided into successive periods, each such period being an "Interest Period" for such Eurodollar Advance. The initial Interest Period for such Eurodollar Advance at that time shall begin on such Business Day and each subsequent Interest Period for such Eurodollar Advance at the time shall begin on the last day of the immediately preceding Interest Period. The duration of each Interest Period for any Eurodollar Advance shall be 30, 90, or 180 days as the Company may, upon telephonic notice given to the Bank at least two Business Days prior to the first day of such Interest Period (such notice to be confirmed by the Company immediately in writing), select; provided, however, that:

(i) if the Company fails so to select the duration of any Interest Period, the duration of such Interest Period shall be 30 days; and

(ii) the duration of any Interest Period which begins prior to the Scheduled Termination Date and would otherwise end after such date shall end on such date.

(b) If it shall become unlawful for the Bank to obtain funds in the London interbank market in order to fund or maintain Eurodollar Advances or otherwise to perform its obligations hereunder with respect to any such Eurodollar Advances, upon notice by the Bank to the Company, the rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate. The right of the Company to select the Eurodollar Rate for any Tender Advance and for any Term Advance shall cease for the period during which such illegality shall occur and be continuing. The rate of interest on all Eurodollar Advances shall thereupon be the Domestic Rate.

(c) On and after the date on which the unpaid principal amount of any Tender Advance or any Term Advance shall be reduced, by payment or

prepayment or otherwise, to less than \$1,000,000, the rate of interest on the unpaid principal amount of such Tender Advance or such Term Advance shall be the Domestic Rate and the right of the Company to select a rate other than the Domestic Rate for such Tender Advance or such Term Advance shall terminate; provided, however, that if and so long as such Tender Advance or Term Advance shall bear the same rate (other than the Domestic Rate) for the same Interest Period as other Tender Advances or other Term Advances and the aggregate unpaid principal amount of all such Tender Advances and Term Advances shall equal or exceed \$1,000,000, the Company shall have the right to select such rate for such Interest Period for such Tender Advance and such Term Advance.

SECTION 1.10. Prepayments. (a) The Company may prepay in whole or in part the outstanding amount of any Accrued Interest Advance with accrued interest to the date of such prepayment on the amount prepaid; provided, however, that the Company shall, simultaneously with the making of such prepayment, give notice to the Bank by telephone (which shall be confirmed immediately in writing) or telegraph of such prepayment, which notice shall specify (i) the amount of such prepayment and (ii) the amount of accrued interest transmitted with such prepayment.

(b) The Company may, upon at least two Business Days' notice to the Bank, prepay the outstanding amount of any Advance (other than an Accrued Interest Advance) in whole or in part with accrued interest to the date of such prepayment on the amount prepaid and once notice is given the Company shall prepay such amount; provided, however, that any prepayment of any Eurodollar Advance shall be made on, and only on, the last day of an Interest Period for such Eurodollar Advance, unless the Company shall pay to the Bank in accordance with Section 1.12 an amount sufficient to compensate the Bank for any loss or expenses incurred by it by reason of such prepayment on a day other than the last day of the relevant Interest Period; provided, further, that in the case of a prepayment certified to the Bank by the Trustee as a payment made pursuant to subsection (c) of this Section, the Company shall on the date of such prepayment pay interest accrued on such Advance to the date of prepayment, together with an amount sufficient to compensate the Bank for any loss or expenses in accordance with Section 1.12.

(c) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw or draws under the Letter of Credit by a Tender Draft or Tender Drafts, the Company shall cause the Trustee to prepay Tender Advances, on behalf of the Company, in the order in which they were made, by paying to the Bank an amount equal to the sum of (i) that portion of any Tender Advances equal to 100% of the principal amount of any such Bonds resold or to be resold and (ii) that portion of the Accrued Interest Advances (the "Corresponding Accrued Interest Advances") which bears the same ratio to the total unreimbursed Accrued Interest Advances as the principal amount of such Bonds sold or to be resold bears to the principal amount of all such Bonds held by the Custodian on behalf of the Company under the Custody Agreement. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(c), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Tender Advances and the Corresponding Accrued Interest Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(d) Prior to or simultaneously with the resale of any Bonds held by the Custodian on behalf of the Company under the Custody Agreement as a result of a draw under the Letter of Credit by a Purchase Draft or Purchase Drafts, the Company shall cause the Trustee to prepay Purchase Advances, on behalf of the Company, in the order in which they were made by paying to the Bank an amount equal to that portion of any Purchase Advances equal to 100% of the principal amount of any such Bonds resold or to be resold. Such payments shall, if certified to the Bank by the Trustee in a certificate, completed and signed, by the Trustee, in the form of Annex H to the Letter of Credit as payments being made pursuant to this Section 1.10(d), be applied by the Bank in reimbursement of such drawings (and as prepayment of the Purchase Advances resulting from such drawings in the manner described above). The Company irrevocably authorizes the Bank to rely on such certificate and to reinstate the Letter of Credit in accordance therewith.

(e) Amounts received by the Bank from the Company or the Trustee on behalf of the Company in reimbursement for drawings under the Letter of Credit shall be applied first in reimbursement of any unreimbursed drawings made by an Interest Draft, unless such amounts are accompanied by a certificate as described in subsection (c) or (d) of this Section 1.10, or in Section 1.03(a).

SECTION 1.11. Other Payments. The Company hereby agrees to pay to the Bank such fees as are set forth in a letter of even date from the Company to the Bank.

SECTION 1.12. Increased Costs. (a) If either (i) the introduction of or any change (including, without limitation, any change by way of imposition or increase of reserve requirements other than those referred to in Section 1.13 below) in or in the interpretation of any law or regulation or (ii) the compliance by the Bank with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), shall result in any increase in the cost to the Bank of making, funding or maintaining Eurodollar Advances, then the Company shall from time to time, upon demand by the Bank, pay to the Bank additional amounts sufficient to indemnify the Bank against such increased cost. A certificate as to the amount of such increased cost and a reasonable explanation thereof, submitted to the Company by the Bank, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(b) If, due to (i) conversions of the type of interest rate pursuant to Section 1.08, (ii) prepayments pursuant to Section 1.10 (whether by direct or applied payments), (iii) acceleration of the maturity of the Advances pursuant to Section 5.02, or (iv) any other reason, the Bank receives payments of principal of any Eurodollar Advance or is subject to a conversion of a Eurodollar Advance into another type of Advance other than on the last day of an Interest Period relating to such Advance, the Company shall, promptly after demand by the Bank, pay to the Bank any amounts required to compensate the Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment or conversion, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by the Bank to fund or maintain such Eurodollar Advance. A certificate setting forth the amount of such additional losses, costs or expenses and giving a reasonable explanation thereof, submitted by the Bank to the Company, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes.

(c) In the event that after the date of this Agreement the implementation of or any change in any law, rule, regulation, guideline or

directive (whether or not having the force of law) or the interpretation or administration thereof by any court, central bank or administrative or governmental authority charged with the administration thereof shall:

(i) subject the Bank to any tax or shall change the basis of taxation of the Bank (other than a change in the rate of tax based on the overall net income of the Bank);

(ii) impose, modify or deem applicable any reserve, special deposit, capital adequacy or similar requirement (including without limitation a requirement which affects the manner in which the Bank allocates capital resources to its commitments, including its obligations hereunder); or

(iii) impose upon the Bank any other condition regarding this Agreement or the Letter of Credit;

and as a result of any of the foregoing (x) the cost to the Bank of issuing or maintaining the Letter of Credit or maintaining any Advances hereunder is increased, (y) any amounts payable by the Company hereunder are reduced or (z) the rate of return on the Bank's capital as a consequence of its obligations hereunder or its issuance and maintenance of the Letter of Credit or Advances hereunder is reduced to a level below that which the Bank could have achieved but for such above circumstances, then and in each such case, the Bank will promptly notify the Company of such event by a certificate of the Bank setting forth in reasonable detail an explanation of the additional amount or amounts to be paid. Within 15 days after receipt of such certificate the Company shall pay for the account of the Bank such additional amount or amounts to compensate the Bank.

SECTION 1.13. Additional Interest. The Company shall pay to the Bank additional interest on the unpaid principal amount of each Advance during the periods such Advance shall be a Eurodollar Advance until such principal amount is paid in full, payable on each day on which interest on such Advance is payable under Section 1.07, at an interest rate per annum equal at all times during each Interest Period for such Advance, to the excess of (i) the rate obtained by dividing the LIBO Rate for such Interest Period by a percentage equal to 100% minus the reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or if more than one such percentage is so applicable, minus the daily average for such percentages for those days in such Interest Period during which any such percentage shall be so applicable) for determining the maximum reserve requirement (including, without limitation, any marginal reserve requirement) for the Bank in respect of liabilities or assets consisting of or including Eurocurrency liabilities over (ii) the LIBO Rate for such Interest Period.

SECTION 1.14. Payments and Computations. Except as otherwise provided herein, the Company shall make each payment hereunder not later than 12:00 P.M. (New York time) on the day when due in lawful money of the United States of America to the Bank ABA #026003780 for credit to Syndication Clearing Account No. 100440240008 with the reference to Kansas City or such other account as the Bank may indicate in writing from time to time. The Company hereby authorizes the Bank, if and to the extent payment is not made when due hereunder, to charge from time to time against any or all of the Company's accounts with the Bank any amount so due. All computations of interest at the Domestic Rate or the Eurodollar Rate, and the letter of credit commission hereunder shall be made by the Bank on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) elapsed.

SECTION 1.15. Payment on Non-Business Days. Whenever any payment to be made hereunder shall be stated to be due, or whenever the last day of any Interest Period would otherwise occur, on a day which is not a Business Day, such payment shall be made, and the last day of such Interest Period shall occur, on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commission, as the case may be; provided, however, if such extension would cause such payment of a Eurodollar Advance to be made or the last day of such Interest Period to occur in a new calendar month, such payment shall be made and the last day of such Interest Period shall occur on the next preceding Business Day.

SECTION 1.16. Extension of the Letter of Credit. If the Company, at least eighteen months prior to the Scheduled Termination Date of the Letter of Credit, has requested the Bank to extend the Letter of Credit, and the Bank is willing to extend the Letter of Credit, the Bank shall give written notice thereof to the Company (together with the conditions to such extension) at least twelve months prior to the Scheduled Termination Date. If the Bank shall not so notify the Company, the Bank shall be deemed not to have consented. The Company acknowledges that the Bank has no obligation to, and has given no assurance, undertaking or commitment that it will, extend (or consider extending) the Letter of Credit.

SECTION 1.17. Obligations Absolute. The payment obligations of the Company under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances and regardless of the use of proceeds of any drawing under the Letter of Credit or any defense to payment related thereto:

(i) any lack of validity or enforceability of the Letter of Credit, the Bonds, the Indenture, the Lease, the Sublease, or any other agreement or instrument relating thereto (collectively the "Related Documents");

(ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(iii) the existence of any claim, set-off, defense or other right which the Company may have at any time against the Trustee, any beneficiary or any transferee of the Letter of Credit (or any persons or entities for whom the Trustee, any such beneficiary or any such transferee may be acting), the Bank or any other person or entity, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction;

(iv) any statement or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(v) payment by the Bank under the Letter of Credit against presentation of a draft or certificate which does not comply with the terms of the Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided however that such circumstance or happening shall not have been the result of the gross negligence or willful misconduct of the Bank.

SECTION 1.18. Taxes. All payments hereunder are payable free and clear of any and all present and future taxes, levies, imposts, duties, deductions, withholdings, fees, liabilities and similar charges (the "Taxes"). For so long as it remains lawfully able to do so, the Bank shall furnish to the Company such Internal Revenue Service forms as are appropriate to permit the Company to make payments hereunder free of United States income tax withholding tax. If, as a result of any change in applicable law or regulations or in the interpretation thereof by any governmental authority charged with the administration thereof, or the introduction of any law or regulation, any Taxes are required to be withheld or deducted from any amount payable to the Bank hereunder, the amount payable will be increased to the amount which, after deduction from such increased amount of all Taxes required to be withheld or deducted therefrom, will yield to the Bank the amount stated to be payable hereunder. Notwithstanding the foregoing, the Company shall not be required to pay any increased amounts pursuant to this Section 1.18 on account of any income taxes of general applicability imposed on the Bank by the United States of America or any political subdivision thereof in which the Bank is organized, qualified to do business or has an office. The Company will execute and deliver to the Bank at its request such further instruments as may be necessary or desirable to give full force and effect to any such increase. The Company will, upon the request of the Bank, provide the Bank with evidence satisfactory to it of the payment of any Taxes. If any of the Taxes required to be borne by the Company pursuant to this Section 1.18 are paid by the Bank, the Company will, upon demand of the Bank, reimburse the Bank for such payments, together with any interest, penalties and expenses in connection therewith.

ARTICLE II CONDITIONS OF ISSUANCE

SECTION 2.01. Condition Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit is subject to the condition precedent that the Bank shall have received on or before the date of the issuance of the Letter of Credit the following, each dated such day, in form and substance satisfactory to the Bank:

- (a) Certified copies of the resolutions of the Board of Directors of the Company authorizing the Company to enter into this Agreement, approving the Letter of Credit and the other matters contemplated hereby.
- (b) Originals (or copies certified by the Secretary or Assistant Secretary of the Company) of approvals or orders of the public utility regulatory commissions of the States of Missouri and Kansas necessary for the Company with respect to this Agreement.
- (c) A certificate of the Secretary or Assistant Secretary of the Company, certifying the names and true signatures of the officers of the Company authorized to sign this Agreement and the other documents to be delivered by it hereunder.
- (d) Opinion of Samuel P. Cowley, Esq., Senior Vice President and Chief Legal Officer for the Company, in substantially the form of Exhibit B hereto and as to such other matters as the Bank may reasonably request.
- (e) Opinion of Chapman and Cutler, Bond Counsel, in substantially the form of Exhibit C hereto and as to such other matters as the Bank may reasonably request, including advice from such Bond Counsel to the Bank that the Bank may rely on such opinion.
- (f) A transcript relating to the issuance of the Bonds.
- (g) Such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates of executed copies thereof) or opinions as the Bank may reasonably request.

SECTION 2.02. Additional Conditions Precedent to Issuance of the Letter of Credit. The obligation of the Bank to issue the Letter of Credit shall be subject to the further conditions precedent that on the date of the issuance of the Letter of Credit:

- (a) The following statements shall be true and the Bank shall have received a certificate signed by a duly authorized officer of the Company, dated the date of such issuance, stating that:
 - (i) the representations and warranties contained in Section 3.01 of this Agreement are correct on and as of the date of issuance of the Letter of Credit as though made on and as of such date; and
 - (ii) no event has occurred and is continuing, or would result from the issuance of the Letter of Credit, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

- (b) The Issuer and the Trustee have duly authorized and executed the Indenture and the Indenture continues to be in full force and effect.
- (c) The Issuer and the Company have duly authorized and executed the Lease and the Sublease and the Lease and the Sublease continue to be in full force and effect.
- (d) The Issuer has duly executed, issued and delivered the Bonds.
- (e) The Bank shall have received such other approvals, opinions or documents as the Bank may reasonably request.

SECTION 2.03. Condition Precedent to Each Advance. Each payment made by the Bank pursuant to a Tender Draft, a Redemption Draft or a Purchase Draft under the Letter of Credit shall constitute an Advance hereunder only if it shall be true on the date of such payment that no event has occurred and is continuing, or would result from such Advance, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both. Unless the Company shall have otherwise previously advised the Bank in writing, payment by the Bank pursuant to a Tender Draft, a Redemption Draft or a Purchase Draft shall be deemed to constitute a representation and warranty by the Company that on the date of such payment the above statement is true.

ARTICLE III REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties. The Company represents and warrants as follows:

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.

(b) The execution, delivery and performance by the Company of this Agreement and each Related Document to which it is a party are within the Company's corporate powers, have been duly authorized by all necessary corporate action, do not contravene (i) the Company's charter or by-laws (ii) any law or contractual restriction (including, but not limited to, any restriction in the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to this Agreement and the Related Documents) upon or with respect to any of its properties; or (iii) any other instruments to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company may be subject, or any law, order, rule or regulation applicable to the Company or any court, federal or state, regulatory body, administrative agency or other governmental body having jurisdiction over the Company.

(c) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into this Agreement, and the Commissions have duly issued previous orders authorizing the Company to enter into the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which it is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained and are in full force and effect, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas, which has been given, no other authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Company of this Agreement or any Related Document to which it is a party.

(d) This Agreement is, and each Related Document to which the Company is a party is the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally).

(e) Except as disclosed on in the Company's Form 10-K for the year 1992, Forms 10-Q for the periods March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of the Company's knowledge, threatened action or investigation or proceeding before any court, governmental agency or arbitrator against or affecting the Company which may materially adversely affect the financial condition or total operations of the Company.

(f) The balance sheet of the Company as at December 31, 1992, and the related statements of income and retained earnings and of changes in financial position of the Company for the fiscal year then ended, certified by Coopers & Lybrand, independent public accountants, copies of which have been furnished to the Bank, and the balance sheet of the Company as at June 30, 1993, and the related statements of retained earnings for the six months then ended, signed by the Controller of the Company, copies of which are contained in the Company's 10-Q dated as of June 30, 1993, a copy of which has been furnished to the Bank, fairly present the financial condition of the Company as at such respective dates and the results of the operations of the Company for the period ended on such respective dates, all in accordance with generally accepted accounting principles consistently applied, and since June 30, 1993, there has been no material adverse change in the financial condition or total operations of the Company other than disclosed or contemplated in the notes to the financials in the Company's 10-Q dated June 30, 1993.

(g) Except for information contained therein describing any bank, as to which no representation is made, the Official Statement (said Official Statement, together with the documents incorporated therein by reference, being the "Official Statement") dated October 29, 1987, of the Issuer relating to the Bonds is, and the Preliminary Official Statement (said Preliminary Official Statement, together with the documents incorporated therein by reference being the "Preliminary Official Statement") dated October 16, 1986, of the Issuer relating to the Bonds as of its date of issue was to the best of the Company's knowledge, and any supplement or amendment to either thereof shall be, accurate in all material respects for the purposes for which its use is, was, or shall be, authorized; and the Official Statement does not, the Preliminary Official Statement as of its date of issue did not to the best of the Company's knowledge, and any such supplement or amendment shall not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they are or were made, not misleading.

(h) No Termination Event has occurred nor is reasonably expected to occur with respect to any Plan.

(i) The Company does not contribute to any Multiemployer Plan and has not incurred and does not expect to incur any withdrawal liability with respect to any such plan.

ARTICLE IV COVENANTS OF THE COMPANY

SECTION 4.01. Affirmative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will, unless the Bank shall otherwise consent in writing:

(a) Preservation of Corporate Existence, Etc. Preserve and maintain its corporate existence, rights (charter and statutory) and privileges in the state of its incorporation and qualify and remain qualified as a foreign corporation in each jurisdiction in which such qualification is reasonably necessary in view of its business and operations or the ownership of its properties.

(b) Compliance with Laws, Etc. Comply in all respects with all applicable laws, rules, regulations and orders of any governmental authority, the non-compliance with which would materially and

adversely affect the financial condition or operations of the Company, such compliance to include, without limitation, paying before the same become delinquent all material taxes, assessments and governmental charges imposed upon it or upon its property, except to the extent compliance with any of the foregoing is then being contested in good faith.

(c) Maintenance of Insurance. Maintain insurance with responsible and reputable insurance companies or associations or through its own program of self-insurance in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Company operates.

(d) Visitation Rights. At any reasonable time and from time to time, permit the Bank or any of its agents or representatives at their own expense to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and to discuss the affairs, finances and accounts of the Company with any of its officers.

(e) Keeping of Books. Keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company in accordance with generally accepted accounting principles consistently applied (except as disclosed in the notes to the balance sheet and related statements of income and retained earnings).

(f) Maintenance of Properties. Maintain and preserve its properties that are necessary to maintain its operating system in good working order and condition, ordinary wear and tear excepted.

(g) Reporting Requirements. Furnish to the Bank the following: (i) as soon as possible, and in any event within 3 days after the occurrence of each Event of Default or each event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default, continuing on the date of such statement, a statement of the chief financial officer (or in his absence, a principal financial officer) of the Company setting forth details of such Event of Default or event and the action which the Company proposes to take with respect thereto; (ii) as soon as available and in any event within 10 days after the filing of each quarterly report on Form 10-Q by the Company with the Securities and Exchange Commission, a copy of each such quarterly report, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iii) as soon as available and in any event within 10 days after the filing of each annual report on Form 10-K by the Company with the Securities and Exchange Commission, a copy of each such annual report containing financial statements for such year certified by nationally recognized independent public accountants, together with a certificate of the chief accounting officer (or in his absence, a principal financial officer) of the Company confirming as of the end of such quarter the truth of the statement set forth in Section 2.02(a)(ii) of this Agreement; (iv) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Company sends to any of its stockholders, and copies of all regular, periodic and special reports and all registration statements, which the Company files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor; (v) as soon as possible and in any event within (A) 30 days after the Company or any of its Affiliates knows or has reason to know that any Termination Event described in clause (i) of the definition of Termination Event with respect to any Plan has occurred and (B) within 10 days after the Company or any of its Affiliates knows or has reason to know that any other Termination Event with respect to any Plan has occurred, a statement of the chief accounting officer (or in his absence a principal financial officer) of the Company describing such Termination Event and the action, if any, which the Company or such Affiliate proposes to take with respect thereto; (vi) promptly and in any event within two Business Days after receipt thereof by the Company or any of its Affiliates from the Pension Benefit Guaranty Corporation ("PBGC"), copies of each notice received by the Company or any such Affiliate of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan; and (vii) such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Company as the Bank may from time to time reasonably request in writing.

(h) Officer's Certificate. In the event that an Advance is made pursuant to Sections 1.03 or 1.04 hereunder, the Company shall deliver to the Bank every ninety (90) days commencing ninety (90) days from the date such Advance is made until all outstanding Advances have been paid in full, a certificate signed by a duly authorized officer of the Company stating that the representations and warranties contained in Section 3.01 are correct on and as of such date as though made on and as of such date.

(i) Other Agreements. Perform and comply with each of the terms, provisions and conditions, on its part to be performed or complied with, contained in the Indenture, the Lease and the Sublease.

(j) Redemption or Defeasance of Bonds. Use its best efforts to cause the Trustee, (A) upon a redemption or defeasance of less than all of the Bonds pursuant to the Indenture, to furnish to the Bank a notice in the form of Annex G to the Letter of Credit, and (B) upon a redemption or defeasance of all of the Bonds pursuant to the Indenture, to surrender the Letter of Credit to the Bank for cancellation.

(k) Registration of Bonds. Cause all Bonds which it acquires, or which it has acquired for its account, to be registered forthwith in accordance with the Indenture in the name of the Company.

(l) Continuance of Rating. Use its best efforts to cause the Bonds to continue to be rated by Moody's Investors Service or Standard & Poor's Corporation.

SECTION 4.02. Negative Covenants. So long as a drawing is available under the Letter of Credit or the Bank shall have any Commitment hereunder or the Company shall have any obligation to pay any amount to the Bank hereunder, the Company will not, without the written consent of the Bank:

(a) Liens, Etc. Create, incur, assume or suffer to exist any lien, security interest or other charge or encumbrance, or any other type of preferential arrangement, upon or with respect to any of its properties or assets, whether now owned or hereafter acquired, or assign any right to receive income, in each case to secure any

Obligation of any person, other than (i) purchase money liens or purchase money security interests upon or in any property acquired or held by the Company in the ordinary course of business to secure the purchase price of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property, (ii) liens or security interests existing on such property at the time of its acquisition, (iii) liens, security interests, charges or encumbrances on or over, gas, oil, coal, fissionable material or other fuel or fuel products as security for an Obligation incurred by the Company for the sole purpose of financing the acquisition or storage of such fuel or fuel products or, with respect to nuclear fuel, the processing, reprocessing, sorting, storage and disposal thereof, (iv) liens, security interests, charges or encumbrances on or over all or any part of its undertaking or assets employed wholly or mainly in or arising directly from any specific construction project or generating plant as security for an Obligation incurred by the Company for the purpose of financing all or any part of such construction project or generating plant, (v) the lien of the Indenture of Mortgage and Deed of Trust dated as of December 1, 1946, from the Company to Continental Illinois National Bank and Trust Company of Chicago and the lien of the General Mortgage Indenture and Deed of Trust dated December 1, 1986, from the Company to United Missouri Bank of Kansas City, N.A. (the "Mortgages"), (vi) encumbrances listed on Exhibit D attached hereto, (vii) security interests granted in, or sale of, the Company's accounts receivable, and (viii) sales or transfers of property by the Company and renting or leasing back such property, provided that all such property in the aggregate does not exceed fifteen percent (15%) of all the Company's assets.

(b) Mergers, Etc. Merge with or into or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) or acquire all or substantially all of the assets, other than utility assets, of, any person or entity, except that the Company may merge or consolidate with any person or entity on condition in each case that, (i) immediately after giving effect thereto, no event shall occur and be continuing which constitutes an Event of Default or which with the giving of notice or lapse of time, or both, would constitute an Event of Default, (ii) the consolidation or merger shall not materially and adversely affect the ability of the Company to perform its obligations hereunder or under the Related Documents, and (iii) the corporation formed by any such consolidation or into which the Company shall be merged shall assume the Company's obligations and performance of the Company's covenants hereunder and under the Related Documents in a writing satisfactory in form and substance to the Bank.

(c) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or, except as otherwise permitted under Section 4.02(a), pledge or otherwise encumber more than fifteen percent (15%) of its assets, except in the ordinary course of its business or in connection with a transaction authorized by subsection (b) of this Section 4.02.

(d) Compliance with ERISA. (i) Voluntarily terminate any Plan, so as to result in any material liability of the Company to PBGC or (ii) enter into any Prohibited Transaction (as defined in Section 4975 of the Internal Revenue Code of 1986, as amended, and in ERISA) involving any Plan which results in any material liability of the Company, (iii) cause any occurrence of any Reportable Event which results in any material liability of the Company to PBGC or (iv) allow or suffer to exist any other event or condition known to the Company which results in any material liability of the Company to PBGC.

(e) Amendment of Indenture or Related Document. Enter into or consent to any amendment or modification of, the Indenture, the Lease, the Sublease or any other Related Document, which would adversely affect the Bank or change its obligations under the Letter of Credit, without first obtaining the express prior written consent of the Bank thereto.

ARTICLE V EVENTS OF DEFAULT

SECTION 5.01. Events of Default. The occurrence of any of the following events shall be an "Event of Default" hereunder unless waived by the Bank pursuant to Section 7.01 hereof:

(a) the Company shall fail to pay any amount payable to the Bank under any provision of Article I when due except as provided in (b) below; or

(b) the Company shall fail to pay any amount of an Interest Advance within one (1) day after such amount becomes due; or

(c) any representation or warranty made by the Company herein or by the Company (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(d) the Company shall fail to perform or observe any other term, covenant or agreement contained in this Agreement, and any such failure shall remain unremedied for 10 days after written notice thereof shall have been given to the Company by the Bank; or

(e) any material provision of this Agreement or the letter referred to in Section 1.11 hereof shall at any time for any reason cease to be valid and binding upon the Company, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Company, or a proceeding shall be commenced by any governmental agency or authority having jurisdiction over the Company seeking to establish the invalidity or unenforceability thereof, or the Company shall deny that it has any or further liability or obligation under this Agreement or the letter referred to in Section 1.1 hereof; or

(f) the Company shall (x) fail to make any payment, equal to or exceeding \$10,000,000 of any Obligation or to make any payment, equal to or exceeding \$5,000,000, of any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Obligation, or (y) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any Obligation when required to be performed or observed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such

failure to perform or observe is to accelerate, or to permit the acceleration of, the maturity of any Obligation, the unpaid principal amount of which then equals or exceeds \$10,000,000; or

(g) the Company shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors or shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, reorganization or insolvency or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property; or the Company shall take any corporate action to authorize any of the actions described above in this subsection (g); or any proceeding shall be instituted against the Company seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement or adjustment of debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a trustee, receiver or custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Company in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days; or

(h) any judgment or order for the payment of money in excess of \$10,000,000 shall be rendered against the Company and either (x) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (y) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) any Termination Event with respect to a Plan shall have occurred, and, 30 days after notice thereof shall have been given to the Company by the Bank, (i) such Termination Event (if correctable) shall not have been corrected and (ii) the then present value of such Plan's vested benefits exceeds (when aggregated with the amount of any such excess under all other Plans to which a Termination Event shall have occurred) the then current value of assets accumulated in such Plan by more than the amount of \$15,000,000 (or in the case of a Termination Event involving the withdrawal of a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), the withdrawing employer's proportionate share of such excess exceed such amount); or

(j) any event of default under and as defined in the Indenture, the Lease or the Sublease shall have occurred and be continuing.

SECTION 5.02. Upon an Event of Default. If any Event of Default shall have occurred and be continuing, the Bank may (i) by notice to the Company, declare the obligation of the Bank to issue the Letter of Credit to be terminated, whereupon the same shall forthwith terminate, or if the Letter of Credit shall have been issued, (ii) give notice to the Trustee pursuant to Section 701 of the Indenture of the occurrence and continuance of an Event of Default hereunder, and (iii) declare the Advances, all amounts payable under any provision of Article I, all interest thereon and all other amounts payable hereunder to be forthwith due and payable, whereupon the Advances, all amounts payable under any provision of Article I, all interest thereon and all such other amounts shall become and be forthwith due and payable, without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Company; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Company under the Federal Bankruptcy Code, (i) the obligation of the Bank to issue the Letter of Credit shall automatically be terminated and (ii) the Advances, all amounts payable under any provision of Article I, all interest thereon and all other amounts payable hereunder shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Company.

ARTICLE VI DEFINITIONS

SECTION 6.01. Definitions. Unless otherwise indicated in this Agreement, the capitalized terms used herein shall have the following meanings:

"Accrued Interest Advance" has the meaning set forth in Section 1.03(a) hereof.

"Advances" means, collectively, Tender Advances, Accrued Interest Advances, Redemption Advances and Purchase Advances, and an "Advance" means any of them.

"Affiliate" means any trade or business (whether or not incorporated) which is a member of a group of which the Company is a member and which is under common control within the meaning of the regulations under Section 414 of the Internal Revenue Code of 1986, as amended.

"Alternate Base Rate" means a fluctuating interest rate per annum as shall be in effect from time to time which rate per annum shall at all times be equal to the higher of:

(a) the rate of interest announced by the Bank in New York City as the Bank's Prime Lending Rate for such day; and

(b) the sum of (i) .50%, plus (ii) the Federal Funds Rate for such day.

The Banks' Prime Lending Rate is the fluctuating interest rate announced by the Bank in New York City from time to time as its prime lending rate for unsecured commercial loans to borrowers located in the United States. The Bank's Prime Lending Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. The Bank may make commercial loans or advances at rates of interest at, above or below its Prime Lending Rate.

"Available Amount" in effect at any time means the maximum amount available to be drawn at such time under the Letter of Credit (the determination of such maximum amount to assume, throughout this Agreement, compliance with all conditions for drawing and no reduction for any amount drawn by an Interest Draft referred to in the Letter of Credit (unless such amount is not reinstated under the Letter of Credit)).

"Bonds" means the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987B (Kansas City Power & Light Company Project).

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City and, if the applicable Business Day relates to any Eurodollar Advance or Interest Period therefor, on which dealings are carried on in the London interbank market.

"Commitment" has the meaning set forth in Section 1.01 hereof.

"Company" means Kansas City Power & Light Company, a corporation organized and existing under the laws of the State of Missouri.

"Corresponding Accrued Interest Advances" has the meaning set forth in Section 1.10(c) hereof.

"Custodian" means Chemical Bank, as custodian under the Custody Agreement.

"Custody Agreement" means the Custody Agreement dated as of October 1, 1987, between the Company and the Custodian and all amendments, modifications and supplements thereto.

"Demand Advance" means a payment made by the Bank under the Letter of Credit which is due pursuant to Section 1.02 hereof.

"Domestic Advance" means an Advance bearing interest at the Domestic Rate.

"Domestic Rate" means an interest rate equal to 1/4 of 1% per annum above the Alternate Base Rate.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurodollar Advance" means an Advance bearing interest at the Eurodollar Rate.

"Eurodollar Interest Period" means an Interest Period in respect of an Advance bearing interest at the Eurodollar Rate.

"Eurodollar Rate" during any Interest Period for any Advance means an interest rate per annum equal at all times during each Interest Period for such Advance to 3/4 of 1% per annum above the LIBO Rate.

"Event of Default" shall have the meaning set forth in Section 5.01 hereof.

"Federal Funds Rate" means, for any day, an interest rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Bank from three Federal funds brokers of recognized standing selected by it.

"Final Draft" has the meaning set forth in the Letter of Credit.

"Indenture" means the Indenture of Trust dated as of October 1, 1987, between the Issuer and Chemical Bank, as trustee and all amendments, modifications and supplements thereto.

"Interest Advance" has the meaning set forth in Section 1.05(a) hereof.

"Interest Draft" has the meaning set forth in the Letter of Credit.

"Interest Period" has the meaning set forth in Section 1.09(a) hereof.

"Issuer" means the City of Burlington, Kansas.

"Lease" means the Equipment Lease Agreement dated as of October 1, 1987, between the Issuer and the Company, and all amendments, modifications and supplements thereto.

"Letter of Credit" means the irrevocable, transferable letter of credit issued by the Bank in substantially the form of Exhibit A hereto and any successor letter of credit as provided in such letter of credit.

"LIBO Rate" for any Interest Period for any Advance means the rate of interest per annum at which deposits in United States dollars are offered by the principal office of Deutsche Bank AG in London, England to prime banks in the London interbank market for a period equal to the duration of the Eurodollar Interest Period relating to such Advance at (or about) 11:00 A.M. (London time) two Business Days before the first day of such Interest Period.

"Mortgages" has the meaning set forth in Section 4.02(a) hereof.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Obligation" of any person or entity means (i) indebtedness for borrowed money or obligations evidenced by notes, bonds, debentures or similar instruments or for the deferred purchase price of property or services in respect of which such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such person otherwise assures a creditor against loss, (ii) obligations under leases in respect of which obligations such person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such person otherwise assures a creditor against loss, and (iii) liabilities in respect of unfunded vested benefits under each Plan maintained for employees of such person and covered by Title IV of ERISA.

"Official Statement" has the meaning set forth in Section 3.01(g).

"Plan" means an employee benefit plan (other than a

Multiemployer Plan) maintained for employees of the Company or any Affiliate and covered by Title IV of ERISA.

"Preliminary Official Statement" has the meaning set forth in Section 3.01(g).

"Purchase Advance" has the meaning set forth in Section 1.04(a) hereof.

"Purchase Draft" has the meaning set forth in the Letter of Credit.

"Redemption Advance" has the meaning set forth in Section 1.04(a) hereof.

"Redemption Draft" has the meaning set forth in the Letter of Credit.

"Related Documents" has the meaning set forth in Section 1.17(i) hereof.

"Scheduled Termination Date" means August 18, 1996, except as extended hereunder.

"Sublease" means the Equipment Sublease Agreement dated as of October 1, 1987, between the Issuer and the Company and all amendments, modifications and supplements thereto.

"Tender Advance" has the meaning set forth in Section 1.03(a) hereof.

"Tender Draft" has the meaning set forth in the Letter of Credit.

"Term Advance" has the meaning set forth in Section 1.04(a) hereof.

"Termination Event" means (i) a Reportable Event described in Section 4043 of ERISA and the regulations issued thereunder (other than a Reportable Event not subject to the provision for 30-day notice to the PBGC under such regulations), or (ii) the withdrawal of the Company or any of its Affiliates from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC, or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Trustee" means Chemical Bank, as trustee under the Indenture.

ARTICLE VII MISCELLANEOUS

SECTION 7.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.02. Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing and mailed, sent or delivered, if to the Company, at its address at 1201 Walnut, Kansas City, Missouri 64106 Attention: Treasurer, facsimile: 816-556-2992; and if to the Bank, at its address at 31 West 52nd Street, New York, New York 10019 Attention: Trade Finance Department, facsimile: 212-474-8256, or if to the Trustee, mailed or delivered to it, addressed to it at 450 W. 33rd Street, New York, New York 10001, Attention: Corporate Trustee Administration Department, facsimile: 212-971-8567; or as to each party, to such other party and/or at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall be effective when mailed or sent, addressed as aforesaid, except that notices to the Bank pursuant to the provisions of Article I shall not be effective until received by the Bank, and any notice to the Trustee pursuant to Section 5.02(ii) shall not be effective until received by the Trustee. Notices of any Event of Default shall be sent by the Company to the Bank by facsimile.

SECTION 7.03. No Waiver; Remedies. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.04. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted United States accounting principles consistently applied and in effect on the date hereof.

SECTION 7.05. Indemnification. The Company hereby indemnifies and holds the Bank harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which the Bank may incur or which may be claimed against the Bank by any person or entity:

(a) by reason of any inaccuracy in any material respect, or any untrue statement or alleged untrue statement of any material fact, contained in the Preliminary Official Statement or the Official Statement or any amendment or supplement thereto, or by reason of the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading; provided, however, that, in the case of any action or proceeding alleging an inaccuracy in a material respect, or an untrue statement, with respect to information supplied by and describing the Bank in the Preliminary Official Statement or the Official Statement (the "Bank Information"), or an omission or alleged omission to state therein a material fact necessary to make the statements in the Bank Information, in the light of the circumstances under which they were made, not misleading, (i) indemnification by the Company pursuant to this Section 7.05(a) shall be limited to the costs and expenses of the Bank (including reasonable fees and expenses of the Bank's counsel) of defending itself against such allegation, (ii) if in any such action or proceeding it is finally determined that the Bank Information contained an inaccuracy in any material respect or an untrue statement of a material fact or omitted to state therein a material fact necessary to make the statements contained therein, in

light of the circumstances under which they were made, not misleading, then the Company shall not be required to indemnify the Bank pursuant to this Section 7.05(a) for any claims, damages, losses, liabilities, costs or expenses (including reasonable fees and expenses of counsel) to the extent caused by such inaccuracy, untrue statement or omission, and (iii) if any such action or proceeding shall be settled by the Bank without there being a final determination to the effect described in the preceding clause (ii), then the Company shall be required to indemnify the Bank pursuant to this Section 7.05(a) only if such action or proceeding is settled with the Company's consent; or

(b) by reason of or in connection with the execution, delivery or performance of the Bonds, the Indenture, the Lease or the Sublease, or any transaction contemplated by the Indenture, the Lease or the Sublease; or

(c) by reason of or in connection with the execution and delivery or transfer of, or payment or failure to make lawful payment under, the Letter of Credit; provided, however, that the Company shall not be required to indemnify the Bank pursuant to this section 7.05(c) for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (i) the Bank's wilful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's wilful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit.

Nothing in this Section 7.05 is intended to limit the Company's obligations contained in Article I. Without prejudice to the survival of any other obligation of the Company hereunder, the indemnities and obligations of the Company contained in this Section 7.05 shall survive the payment in full of amounts payable pursuant to Article I and the termination of the Letter of Credit.

SECTION 7.06. Liability of the Bank. The Company assumes all risks of the acts or omissions of the Trustee and any beneficiary or transferee of the Letter of Credit with respect to its use of the Letter of Credit. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (a) the use which may be made of the Letter of Credit or any acts or omissions of the Trustee and any beneficiary or transferee in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank against presentation of documents which do not comply with the terms of the Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except that the Company shall have a claim against the Bank, and the Bank shall be liable to the Company, to the extent of any direct, as opposed to consequential, damages suffered by the Company which the Company proves were caused by (i) the Bank's willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit or (ii) the Bank's wilful failure to make lawful payment under the Letter of Credit after the presentation to it by the Trustee or a successor trustee under the Indenture of a draft and certificate strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

SECTION 7.07. Costs, Expenses and Taxes. The Company agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, filing, recording, administration and amendments and/or modifications (made upon the request of the Company) of this Agreement and any other documents which may be delivered in connection with this Agreement, including, without limitation, the reasonable costs incurred with each transfer of the Letter of Credit, the reasonable fees and out-of-pocket expenses of counsel for the Bank, and local counsel who may be retained by said counsel, with respect thereto and with respect to advising the Bank as to its rights and responsibilities under this Agreement and all costs and expenses (including reasonable counsel fees and expenses) in connection with (i) the enforcement of this Agreement and such other documents which may be delivered in connection with this Agreement or (ii) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit. In addition, the Company shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and such other documents, and agrees to save the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees except for any penalties incurred as a result of the Bank's failure to notify the Company of such stamp or other taxes or fees payable by the Company of which the Bank has knowledge.

SECTION 7.08. Binding Effect. This Agreement shall become effective when it shall have been executed by the Company and the Bank and thereafter shall be binding upon and inure to the benefit of the Company and the Bank and their respective successors and assigns, except that the Company shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank. The Bank may, at its own expense, assign (by way of participation or otherwise) to any financial institution all or any part of, or any interest (undivided or divided) in, the Bank's rights, benefits and obligations under this Agreement and the Letter of Credit, and to the extent of any such assignment, any such assignee shall have the same rights and benefits against the Company hereunder and under the Letter of Credit as it would have had if such assignee were the Bank issuing or paying under the Letter of Credit hereunder.

SECTION 7.09. Right of Set-Off. (a) Upon the occurrence and during the continuance of any Event of Default, the Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Bank to or for the credit or the account of the Company against any and all of the obligations of the Company now or hereafter existing under this Agreement, whether or not the Bank shall have made any demand hereunder and although such obligations may be contingent or unperfected.

(b) The Bank agrees promptly to notify the Company after any such set-off and application referred to in this Section 7.09(a) above, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Bank may have.

SECTION 7.10. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

SECTION 7.11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 7.12. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

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

KANSAS CITY POWER & LIGHT COMPANY

By _____
Senior Vice President

DEUTSCHE BANK AG, ACTING THROUGH ITS
NEW YORK AND CAYMAN ISLANDS BRANCHES

By _____

Title: _____

By _____

Title: _____

EXHIBIT A
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

[SERIES 1987B]

August 19, 1993

Chemical Bank
450 W. 33rd Street
New York, New York 10001

Attention: Corporate Trustee Administration Department

Dear Ladies and Gentlemen:

We hereby establish at the request and for the account of Kansas City Power & Light Company, a Missouri corporation (the "Company"), in your favor, as Trustee under the Indenture of Trust dated as of October 1, 1987 (the "Indenture"), between the City of Burlington, Coffey County, Kansas (the "Issuer") and you, pursuant to which \$40,000,000 in aggregate principal amount of the Issuer's Customized Purchase Pollution Control Revenue Refunding Bonds, Series 1987B (Kansas City Power & Light Company Project) (the "Bonds"), have been issued, our Irrevocable Letter of Credit No. , in the amount of \$43,747,945.21 (as more fully described below), effective immediately and expiring at the close of business at our 31 West 52nd Street, New York, New York 10019 offices on August 18, 1996, or such later date as we may agree upon in a writing delivered to you (the "Scheduled Termination Date") unless sooner terminated in accordance with the terms hereof.

We hereby irrevocably authorize you to draw on us, in an aggregate amount not to exceed the amount of this Letter of Credit as set forth above and in accordance with the terms and conditions and subject to the reductions in amount as hereinafter set forth, as follows:

- (1) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex A attached hereto (any such draft accompanied by such certificate being your "Interest Draft"), an amount not exceeding \$3,747,945.21;
- (2) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in substantially the form of Annex B attached hereto (any such draft accompanied by such certificate being your "Tender Draft"), an aggregate amount not exceeding \$43,747,945.21;
- (3) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in substantially the form of Annex C attached hereto (any such draft accompanied by such certificate being your "Redemption Draft"), an aggregate amount not exceeding \$40,000,000;
- (4) in one or more drawings by one or more of your drafts, each accompanied by your signed and appropriately completed certificate in the form of Annex D attached hereto (such draft accompanied by such certificate being your "Purchase Draft"), an aggregate amount not exceeding \$40,000,000;
- (5) in a single drawing by your draft, accompanied by your signed and appropriately completed certificate in substantially the form of Annex E attached hereto (such draft accompanied by such certificate being your "Final Draft"), an amount not exceeding \$43,747,945.21.

Upon our honoring any Interest Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Interest Draft, Tender Draft, or Final Draft shall be automatically decreased by an amount equal to the amount of such Interest Draft. If you shall not have received from us within 15 calendar days from the date of such drawing a notice from us to the effect that we have not been reimbursed for such drawing in the form of Annex F attached hereto appropriately completed, the amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Interest Draft, Tender Draft, or Final Draft shall be automatically and irrevocably reinstated in the amount of such drawing, effective the 16th calendar day from the date of such drawing; provided however, this reinstatement shall not apply to amounts drawn by an Interest Draft in connection with Bonds being redeemed with amounts drawn by a Redemption Draft.

Upon our honoring any Redemption Draft or Purchase Draft presented by you hereunder, the amount of this Letter of Credit and the amounts available to be drawn by you by any subsequent Tender Draft, Redemption Draft, Purchase Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Redemption Draft or Purchase Draft. Upon our honoring any Tender Draft presented by you hereunder, (i) the amount of this Letter of Credit and the amounts available to be drawn by any subsequent Tender Draft and Final Draft shall be automatically decreased by an amount equal to the amount of such Tender Draft and (ii) the amounts available to be drawn by any subsequent Redemption Draft and Purchase Draft shall be automatically decreased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying such Tender Draft.

The amount of this Letter of Credit and the amounts from time to time available to be drawn by you by any Tender Draft or Final Draft shall be increased when and to the extent, but only when and to the extent, that we are reimbursed by you on behalf of the Company for amounts drawn hereunder by any Tender Draft or Purchase Draft. The amounts from time to time available to be drawn by you by any Redemption Draft or Purchase Draft shall be increased by the amount set forth in clause (i) of paragraph 3 of the Certificate accompanying any Tender Draft or paragraph 3 of a Certificate accompanying any Purchase Draft when and to the extent, but only when and to the extent, that we are reimbursed by you on behalf of the Company for amounts drawn hereunder by any such Tender Draft or Purchase Draft. Any amount received from you on behalf of the Company in reimbursement of amounts drawn hereunder shall, if accompanied by an appropriately completed and signed certificate in the form of Annex H attached hereto from you, be applied to the extent of the amounts indicated

therein in reimbursement of unreimbursed drawings under your Tender Drafts or Purchase Drafts. Amounts otherwise received from you on behalf of the Company shall be applied in reimbursement of unreimbursed drawings made by your Interest Draft.

The amount of this Letter of Credit and the amounts available to be drawn by you by any Interest Draft, Tender Draft, Redemption Draft, Purchase Draft, and Final Draft shall be decreased upon our receipt of notice from you, in the form of your written and appropriately completed certificate signed by you in the form of Annex G attached hereto, of a redemption or defeasance of less than all of the Bonds outstanding, to the respective amounts stated in such certificate.

Each draft and certificate shall refer thereon to the number of this Letter of Credit and shall be dated the date of its presentation, and shall be drawn and hand delivered or delivered by mail to our office located at 31 West 52nd Street, New York, New York 10019, Attention: Trade Finance Department (or any other office in the City and State of New York which may be designated by us by written notice delivered to you) or by telecopy at 212-474-7989 (or such other number which may be designated by us by written notice to you). If we receive any of your drafts and certificates at such office, all in strict conformity with the terms and conditions of this Letter of Credit, on or prior to the termination hereof and in any event on or before 12:00 noon (New York City time) on a Banking Day, we will honor the same on or before 4:00 p.m. (New York City time) on the same day in accordance with your payment instructions. If we receive any of your drafts and certificates at such office, all in strict conformity with the terms and conditions of this Letter of Credit, after the times specified in the preceding sentence on a Banking Day prior to the termination hereof, we will honor the same on the next succeeding Banking Day in accordance with your payment instructions. If requested by you, payment under this Letter of Credit may be made by wire transfer of Federal Reserve Bank of New York funds to your account in a bank on the Federal Reserve wire system or by deposit of same day funds into a designated account that you maintain with us. The term "Banking Day" means any day of the year other than a Saturday, Sunday or a day on which banks are required or authorized to close in New York City. All times of day referred to herein shall be New York City time. All payments paid under this Letter of Credit shall be paid with our own funds.

Upon the earliest of (i) our honoring your Final Draft presented hereunder, (ii) the surrender to us by you of this Letter of Credit for cancellation, (iii) our honoring your Redemption Draft for all of the Bonds, (iv) the close of business on the date on which we receive written notice from you that the Bonds have been converted to the Fixed Interest Rate within the meaning of the Indenture, (v) the date on which we receive written notice from you that there is no longer any Bond outstanding, (vi) the date on which we receive written notice from you of the substitution of an alternate letter of credit in accordance with the Indenture, and (vii) the Scheduled Termination Date, this Letter of Credit shall automatically terminate.

This Letter of Credit is transferable in its entirety to any transferee who you certify has succeeded you as Trustee under the Indenture and may be successively transferred. Transfer of the available balance under this Letter of Credit to such transferee shall be effected by the presentation to us of this Letter of Credit accompanied by a certificate in the form of Annex I attached hereto. Upon such presentation we shall forthwith transfer the same to your transferee or, if so requested by your transferee with provisions therein consistent with this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the certificates and the drafts referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts.

This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credit (1983 Revision), International Chamber of Commerce No. 400, and to the extent matters are not covered thereby, the laws of the State of New York, including the Uniform Commercial Code as in effect in the State of New York. Communications with respect to this Letter of Credit, including a certificate in the form of Annex I attached hereto, other than presentation of drafts and certificates shall be in writing and shall be addressed to us at 31 West 52nd Street, New York, New York 10019, Attention: Trade Finance Department, specifically referring to the number of this Letter of Credit.

Very truly yours,

DEUTSCHE BANK AG, NEW YORK BRANCH

By _____

Title: _____

By _____

Title: _____

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE
PAYMENT OF INTEREST ON THE CITY OF BURLINGTON,
COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION
CONTROL REVENUE REFUNDING BONDS, SERIES 1987B
(KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE
"BONDS")

Irrevocable Letter of Credit No.

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. _____ (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to (a) payment(s) of interest on the Bonds, including, without limitation, accrued interest due upon the redemption of Bonds, to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii), inclusive of Section 404 of the Indenture, which payment(s) is [are]* due on _____.** [CP Dates (as defined in the Indenture) established for the current calendar month, and this drawing is also with respect to other amounts to be drawn under Section 405(f) of the Indenture.]* Payment of such amount is to be made to us on the same Banking Day if the Certificate and Interest Draft are presented to you no later than 12:00 noon (New York City time). If presentation is after 12:00 noon (New York City time), payment of such amount is to be made on the next Banking Day. None of the Bonds, in respect of which such drawing is being made, were registered in the name of the Company or were held on behalf of the Company under the Custody Agreement on the Record Date within the meaning of the Indenture.

(3) The amount of the Interest Draft accompanying this Certificate is equal to \$_____. It was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not include any amount of interest on the Bonds which is included in any Final Draft presented on the date of this Certificate and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

* To be used while the Bonds bear interest at the CP Rate.

** Insert date; to be used if drawing is not under Section 405(f) of the Indenture.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS, SERIES 1987B (KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE "BONDS") IN SUPPORT OF A TENDER PURSUANT TO SECTIONS 301, 302, 303, 304, AND 305 OF THE INDENTURE.

Irrevocable Letter of Credit No.

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

- (1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.
- (2) The Trustee is making a drawing under the Letter of Credit with respect to the payment of (i) the purchase price equal to the unpaid principal amount of the Bonds to be purchased as a result of a tender on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture) pursuant to the terms of Sections 301, 302, 303, 304 and 305 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) and (ii) the purchase price equal to the amount of interest accrued and unpaid to the purchase date from the immediately preceding Interest Accrual Date (as defined in the Indenture), to the extent moneys are not available from the sources set forth in clauses (i) through (iii), inclusive, of Section 306 of the Indenture, which payment is due on such Banking Day if the Certificate and Tender Draft are presented not later than 12:00 noon (New York City time), or which payment is due on the next succeeding Banking Day if the Certificate and Tender Draft are presented after the time deadline referred to above.
- (3) The amount of the Tender Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) to be purchased as a result of a tender pursuant to Sections 301, 302, 303, 304, and 305 of the Indenture and (ii) \$_____ being drawn in respect of the payment of the portion of the tender price of the Bonds equal to the accrued and unpaid interest on such Bonds and does not include any amount of interest which is included in any Tender Draft (unless such amount has been reinstated by the Bank) or Final Draft presented on or prior to the date of this Certificate.
- (4) The amount of the Tender Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE
PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON,
COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION
CONTROL REVENUE REFUNDING BONDS, SERIES 1987B
(KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE
"BONDS") UPON REDEMPTION

Irrevocable Letter of Credit No.

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. 806678 (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon redemption [of all] [less than all]* of the Bonds on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be redeemed pursuant to the terms of Sections 310, 311 or 312 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) and (ii), of Section 404 of the Indenture, which payment is due on such Banking Day if the Certificate and Redemption Draft are presented not later than 12:00 noon (New York City time), or which payment is due on the next succeeding Banking Day if the Certificate and Redemption Draft are presented after the time deadline referred to above.

(3) The amount of the Redemption Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) to be redeemed.

(4) The amount of the Redemption Draft accompanying this Certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn under the Letter of Credit.

* Insert appropriate description.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19____.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

Annex D

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE
PAYMENT OF PRINCIPAL OF THE CITY OF BURLINGTON,
COFFEY COUNTY, KANSAS CUSTOMIZED PURCHASE POLLUTION
CONTROL REVENUE REFUNDING BONDS, SERIES 1987B
(KANSAS CITY POWER & LIGHT COMPANY PROJECT) (THE
"BONDS") IN SUPPORT OF A PURCHASE

Irrevocable Letter of Credit No.

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

- (1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.
- (2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, on or prior to the effective date of the Fixed Interest Rate (as defined in the Indenture), of the unpaid principal amount of the Bonds to be purchased by the Company in lieu of redemption pursuant to the terms of Section 314 of the Indenture (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii) of Section 306 of the Indenture, which payment is due on such Banking Day if the Certificate and Purchase Draft are presented not later than 12:00 noon (New York City time), or which payment is due on the next succeeding Banking Day if the Certificate and Purchase Draft are presented after the time deadline referred to above.
- (3) The amount of the Purchase Draft accompanying this Certificate is equal to the sum of \$_____ being drawn in respect of the payment of unpaid principal of Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) to be purchased by the Company in lieu of redemption.
- (4) The amount of the Purchase Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR DRAWING IN CONNECTION WITH THE
PAYMENT OF PRINCIPAL OF AND INTEREST ON THE CITY OF
BURLINGTON, COFFEY COUNTY, KANSAS CUSTOMIZED
PURCHASE POLLUTION CONTROL REVENUE REFUNDING BONDS,
SERIES 1987B (KANSAS CITY POWER AND LIGHT COMPANY
PROJECT) (THE "BONDS"), UPON STATED OR ACCELERATED
MATURITY

Irrevocable Letter of Credit No.

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. (the "Letter of Credit", the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee is making a drawing under the Letter of Credit with respect to the payment, upon stated or accelerated maturity of the unpaid principal amount of, and, to the extent such payment is not due on an Interest Payment Date within the meaning of the Indenture, of accrued and unpaid interest on, all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company), to the extent moneys are not available in the Bond Fund from the sources set forth in clauses (i) through (iii) of Section 404 of the Indenture, which payment is due on such Banking Day if the Certificate and Final Draft are presented not later than 12:00 noon (New York City time), or which payment is due on the next succeeding Banking Day if the Certificate and Final Draft are presented after the time deadline referred to above.

(3) The amount of the Final Draft accompanying this Certificate is equal to the sum of (i) \$_____ being drawn in respect of the payment of unpaid principal of all of the Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) and (ii) \$_____ being drawn in respect of the payment of accrued and unpaid interest on such Bonds (other than Bonds registered in the name of the Company which are presently held by the Company or Bonds held by the Custodian on behalf of the Company) and does not include any amount of interest which is included in any Interest Draft or Tender Draft (unless such amount has been reinstated by the Bank), presented on or prior to the date of this Certificate.

(4) The amount of the Final Draft accompanying this Certificate was computed in compliance with the terms and conditions of the Bonds and the Indenture and does not exceed the amount available to be drawn by the Trustee under the Letter of Credit.

IN WITNESS WHEREOF, the Trustee has executed and delivered this
Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,

as Trustee

By _____
[Name and Title]

NOTICE THAT TRUSTEE'S RIGHT TO DRAW
UNDER THE LETTER OF CREDIT BY AN
INTEREST DRAFT HAS NOT BEEN REINSTATED

Chemical Bank
450 W. 33rd Street
New York, New York 10001

Attention: Corporate Trustee Administration Department

Irrevocable Letter of Credit No.

Dear Sirs:

You are hereby advised that Kansas City Power & Light Company has not reimbursed us in an amount equal to the amount drawn by you under the Interest Draft dated _____, 19____. Therefore, the amount of our Irrevocable Letter of Credit No. _____ and the amounts available to be drawn by you by an Interest Draft, Tender Draft, or Final Draft (which available amounts have been decreased by an amount equal to the amount of such Interest Draft) shall not be reinstated in the amount of such Interest Draft.

Deutsche Bank AG, New York Branch

CERTIFICATE FOR THE REDUCTION OF AMOUNTS AVAILABLE
UNDER LETTER OF CREDIT NO. DATED AUGUST
19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The Trustee hereby notifies you that on or prior to the date hereof \$_____ principal amount of the Bonds has been redeemed or defeased and paid pursuant to the Indenture.

(3) Following the redemption or the defeasance and payment referred to in paragraph (2) above, the aggregate principal amount of all of the Bonds outstanding is \$_____.

(4) The maximum amount of interest (computed at 12% per annum for a period of 285 days computed on basis of 365 days per year) accruing on the Bonds referred to in paragraph (3) above is \$_____.

(5) The amount available to be drawn by the Trustee under the Letter of Credit by any Interest Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (4) above) upon receipt by the Bank of this Certificate.

(6) The amount available to be drawn by the Trustee under the Letter of Credit by any Tender Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.

(7) The amount available to be drawn by the Trustee under the Letter of Credit by any Redemption Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).

(8) The amount available to be drawn by the Trustee under the Letter of Credit by any Purchase Draft is reduced to \$_____ (such amount being equal to the amount specified in paragraph (3) above).

(9) The amount available to be drawn by the Trustee under the Letter of Credit by its Final Draft is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraphs (3) and (4) above) upon receipt by the Bank of this Certificate.

(10) The amount of the Letter of Credit is reduced to \$_____ (such amount being equal to the sum of the amounts specified in paragraph (3) and (5) above) upon receipt by the Bank of this Certificate.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

CERTIFICATE FOR THE REINSTATEMENT OF AMOUNTS
AVAILABLE UNDER IRREVOCABLE LETTER OF CREDIT NO.
DATED AUGUST 19, 1993

The undersigned, a duly authorized officer of the undersigned Trustee (the "Trustee"), hereby certifies to Deutsche Bank AG, New York Branch (the "Bank"), with reference to Irrevocable Letter of Credit No. _____ (the "Letter of Credit," the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Trustee, that:

(1) The Trustee is the Trustee under the Indenture for the holders of the Bonds.

(2) The amount of \$_____ paid to you today by the Trustee on behalf of the Company is a payment made to reimburse you pursuant to Section 1.10[(c)]* [(d)]** of the Letter of Credit and Reimbursement Agreement, dated as of August 19, 1993 (the "Reimbursement Agreement"), between the Company and the Bank, for amounts drawn under the Letter of Credit by [Tender Drafts]* [Purchase Drafts]**.

(3) Of the amount referred to in paragraph (2), \$_____ represents the principal amount of Bonds.

[(4) Of the amount referred to in paragraph (2), \$_____ represents accrued interest on Bonds calculated in accordance with clause (ii) of Section 1.10(c) of the Reimbursement Agreement.]*

* To be used in connection with reimbursement for amounts drawn under Tender Drafts.

** To be used in connection with reimbursement for amounts drawn under Purchase Drafts.

IN WITNESS WHEREOF, the Trustee has executed and delivered this
Certificate this ____ day of _____, 19__.

CHEMICAL BANK,
as Trustee

By _____
[Name and Title]

INSTRUCTION TO TRANSFER

_____, 19__

Deutsche Bank AG, New York Branch
31 West 52nd Street
New York, New York 10019

Attention: CLAD

Re: Irrevocable Letter of Credit No.

Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to:

[Name of Transferee]

[Address]

all rights of the undersigned beneficiary to draw under the above-captioned Letter of Credit (the "Letter of Credit"). The transferee has succeeded the undersigned as Trustee under the Indenture (as defined in the Letter of Credit).

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof; provided, however, that no rights shall be deemed to have been transferred to the transferee until such transfer complies with the requirements of the Letter of Credit pertaining to transfers.

The Letter of Credit is returned herewith and in accordance therewith we ask that this transfer be effective and that you transfer the same to our transferee or that, if so requested by the transferee, you issue a new irrevocable letter of credit in favor of the transferee with provisions consistent with the Letter of Credit.

Very truly yours,

CHEMICAL BANK,

as predecessor Trustee

By _____
[Name and title]

EXHIBIT B
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF COUNSEL FOR THE COMPANY

August 19, 1993

Deutsche Bank AG, acting through
its New York and Cayman Islands Branches
31 West 52nd Street
New York, New York 10019

Kansas City Power & Light Company

Gentlemen:

I am Chief Legal Officer of Kansas City Power & Light Company, a Missouri corporation (the "Company"), and am familiar with the matters relating to the preparation, execution and delivery of a Letter of Credit and Reimbursement Agreement (the "Reimbursement Agreement") dated as of August 19, 1993, between the Company and Deutsche Bank AG, acting through its New York and Cayman Islands Branches (the "Bank"). Among other things, I have examined:

- (1) a fully executed counterpart of the Reimbursement Agreement;
- (2) the fully executed Letter of Credit;
- (3) the fully executed Indenture;
- (4) the fully executed Lease;
- (5) the fully executed Sublease;
- (6) the fully executed Custody Agreement and Amendment No. 1 thereto;
- (7) the Articles of Incorporation of the Company and all amendments thereto (the "Charter");
- (8) the by-laws of the Company as now in effect (the "By-laws"); and
- (9) the Company's corporate proceedings and the proceedings before the public utility regulatory commissions of the States of Missouri and Kansas relating to the Reimbursement Agreement and related matters.

I have also examined the originals, or copies certified to my satisfaction, of (i) such other corporate records of the Company, certificates of public officials and of officers of the Company, (ii) the agreements, instruments and documents which affect or purport to affect the obligations of the Company under the Reimbursement Agreement, and (iii) such other agreements, instruments and documents as we have deemed necessary as a basis for the opinions hereinafter expressed. I have assumed the due execution and delivery, pursuant to due authorization, of the Reimbursement Agreement by the Bank. All capitalized terms used herein and defined in the Reimbursement Agreement are used herein as therein defined.

Based upon the foregoing and upon such investigation as I have deemed necessary, I am of the opinion that:

- (1) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and is duly qualified to do business in, and is in good standing under the laws of, the State of Kansas.
- (2) The execution, delivery and performance by the Company of the Reimbursement Agreement and each Related Document to which it is a party are and were at the time of execution within the Company's corporate power, have been duly authorized by all necessary corporate action, do not and did not at the time of execution contravene (i) Charter or By-laws, or (ii) any law, rule or regulation applicable to the Company, or (iii) any contractual or legal restriction (including, but not limited to, the Indenture) binding on or affecting the Company, and do not result in or require the creation of any lien, security interest or other charge or encumbrance (other than pursuant to the Reimbursement Agreement and the Related Documents) upon or with respect to any of its properties. The Reimbursement Agreement and each Related Document to which the Company is a party have been duly executed and delivered on behalf of the Company.
- (3) The public utility regulatory commissions of the States of Missouri and Kansas have duly issued current orders authorizing the Company to enter into the Reimbursement Agreement, and the commissions have duly issued previous orders authorizing the Lease, the Sublease and any other documents that such commissions have jurisdiction over and to which the Company is a party and the Related Documents to which the Company is a party, and such orders remain in full force and effect in the form issued. Except for the approvals of the Board of Commissioners of Coffey County, Kansas, and the City Council of the City of Burlington, Kansas, approving issuance of the Bonds, which approvals have been duly obtained, and the notice of timely filing with the Board of Tax Appeals of the State of Kansas which has been given, no other authorization, approval or other action by, and no notice to or filing or registration with, any governmental authority or regulatory body (other than for informational purposes) is required for the due execution, delivery and performance by the Company of any Related Document to which it is a party.
- (4) Based on Missouri law the Reimbursement Agreement and each Related Document to which the Company is a party are the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.
- (5) Except as disclosed in the Company's Form 10-K for the year 1992, Forms 10-Q for the quarters March 31, 1993 and June 30, 1993, and Form 8-K dated August 16, 1993, there is no pending or, to the best of my knowledge, threatened action or proceeding before any

court, governmental agency or arbitrator against, directly involving or affecting the Company or any of its subsidiaries, which, in any case, may materially and adversely affect the financial condition or operations of the Company.

The opinions set forth above are subject to the following qualifications:

(a) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party is subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.

(b) The enforceability of the Company's obligations under the Reimbursement Agreement and each Related Document to which it is a party, may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

I am not licensed to practice law in the State of New York or the State of Kansas. With respect to the conclusions set forth herein, I express no opinions as to any laws other than the laws of the State of Missouri and the Federal laws of the United States. I know of no reason why the choice of law set forth in the Reimbursement Agreement and the Related Documents would not be upheld in the courts of Missouri.

Very truly yours,

EXHIBIT C
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

OPINION OF BOND COUNSEL

[Letterhead of Chapman and Cutler]

August 19, 1993

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106

Chemical Bank
450 West 33rd Street
New York, New York 10001

Deutsche Bank AG, New York Branch
31 West 52nd Street
New York, New York 10019

Re: \$40,000,000 City of Burlington, Kansas Customized Purchase Pollution
Control Revenue Refunding Bonds, Series 1987B (Kansas City Power &
Light Company Project)

Ladies and Gentlemen:

The above-referenced bonds (the "Bonds") were issued under and are secured by an Indenture of Trust dated as of October 1, 1987 (the "Indenture"), between the City of Burlington, Kansas (the "Issuer") and Chemical Bank, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.

Kansas City Power & Light Company (the "Company") has requested we provide the opinion of Bond Counsel required by Section 4.4 of the Series 1987B Equipment Sublease Agreement dated as of October 1, 1987 (the "Sublease") between the Issuer and the Company and Section 405(c) of the Indenture with respect to the issuance of Letter of Credit No. _____ of even date herewith (the "Letter of Credit") issued by Deutsche Bank AG, New York Branch (the "Bank").

On the basis of our review of the Letter of Credit, the Indenture, the Sublease, photocopies of various counsel opinions dated October 29, 1987 (which have been identified as authentic copies of the original opinions and of which we have assumed the authenticity), and such other documents as we have considered necessary, we are of the opinion that the delivery of the Letter of Credit is authorized under the Sublease and complies with its terms.

We express no opinion as to whether the Letter of Credit is a legal, valid, binding and enforceable obligation of the Bank in accordance with its terms.

Respectfully submitted,

AGBacon

EXHIBIT D
TO LETTER OF CREDIT
AND REIMBURSEMENT
AGREEMENT

ENCUMBRANCES

(i) the Lien of the Mortgages;

(ii) liens for taxes or assessments by governmental bodies not yet due or the payment of which is being contested in good faith by the Company, provided that the Company shall have set aside on its books reserves deemed by it to be adequate with respect to any such tax or assessment so being contested;

(iii) any right of any municipal or other governmental body or agency, by virtue of any franchise, grant, license, contract or statute, to occupy, purchase or designate a purchaser of, or to order the sale of, any mortgaged property upon payment of reasonable compensation therefor, or to terminate any franchise, grant, license, contract or other right, or to regulate the property and business of the Company;

(iv) liens and charges incidental to construction or current operations of the Company which are not delinquent or, whether or not delinquent, are being contested in good faith by the Company;

(v) easements, reservations or right of way, and zoning ordinances, regulations and restrictions, if they do not, individually or in the aggregate, impair the utility of the affected property in the operation of the business of the Company;

(vi) irregularities in or defects of title with respect to any rights of way acquired by the Company for lines, structures and appurtenances thereto, if the Company has obtained from the apparent owner of the real estate traversed by any such right of way a sufficient right, by the terms of the instrument granting such right of way, to the use thereof for the purpose of such lines, structures and appurtenances, or the Company has eminent domain power to remove or cure such irregularities or deficiencies;

(vii) liens securing obligation neither (A) assumed by the Company nor (B) on account of which it customarily pays interest, directly or indirectly, existing upon real estate, or rights in or relating to real estate acquired by the Company for right of way for lines, structures and appurtenances thereto;

(viii) party-wall agreements and agreements for the obligations relating to the joint or common use of property owned solely by the Company or owned by the Company in common or jointly with one or more parties;

(ix) liens securing indebtedness incurred by a Person, other than the Company, which indebtedness has been neither assumed nor guaranteed by the Company nor on which it customarily pays interest, existing on property which the Company owns jointly or in common with such Person or such Person and others, if there is an effective bar against partition of such property which would preclude the sale of such property by such other Person or the holder of such lien without the consent of the Company;

(x) any attachment, judgment and other similar lien arising in connection with court proceedings in an amount not in excess of the greater of \$10,000,000 or 5% of the principal amount of outstanding bonds or other indebtedness at the time such attachment, judgment or lien arises, or the execution of which has been stayed or which has been appealed and secured, if necessary, by an appeal bond;

(xi) the burdens of any law or governmental rule, regulation, order or permit requiring the Company to maintain certain facilities or to perform certain acts as a condition of its occupancy or use of, or interference with, any public or private lands or highways or any river, stream or other waters;

(xii) any duties or obligations of the Company to any federal state or local or other governmental authority with respect to any franchise, grant, license or permit which affects any mortgaged property;

(xiii) liens in favor of a governmental or governmental entity securing (A) payments pursuant to a statute (other than taxes), or (B) indebtedness incurred to finance all or part of the purchase price or cost of construction of the property subject to such lien; and

(xiv) possible adverse rights or interests and inconsequential defects or irregularities in title which, in an opinion of counsel may properly be disregarded.

KANSAS CITY POWER & LIGHT COMPANY
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES

	Year Ended December 31				1989
	1993	1992	1991	1990	
	(Thousands)				
Income from continuing operations	\$ 105,772	\$ 86,334	\$ 103,893	\$ 102,732	\$ 108,618
Add:					
Taxes on income	67,953	52,196	60,278	57,062	65,885
Kansas City earnings tax	495	382	242	376	390
Total taxes on income	68,448	52,578	60,520	57,438	66,275
Interest on value of leased property	7,273	6,366	5,075	4,357	3,787
Interest on long-term debt	50,118	54,266	63,057	68,853	78,570
Interest on short-term notes	750	2,749	3,299	6,199	6,531
Other interest expense and amortization	4,113	2,173	2,665	2,492	1,985
Total fixed charges	62,254	65,554	74,096	81,901	90,873
Earnings before taxes on income and fixed charges	\$ 236,474	\$ 204,466	\$ 238,509	\$ 242,071	\$ 265,766
Ratio of earnings to fixed charges	3.80	3.12	3.22	2.96	2.92

OPINION AND CONSENT OF COUNSEL

As Senior Vice President and Chief Legal Officer of Kansas City Power & Light Company, I have reviewed the statements as to matters of law and legal conclusions in the Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and consent to the incorporation by reference of such statements in the Company's previously-filed Form S-3 Registration Statements (Registration No. 33-54196 and Registration No. 33-51799) and Form S-8 Registration Statements and (Registration No. 33-45618 and Registration No. 33-62942).

/s/Samuel P. Cowley
Samuel P. Cowley

Kansas City, Missouri
March 25, 1993

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of our report, which includes an explanatory paragraph to acknowledge the Company's change in method of accounting for incremental nuclear refueling outage costs in 1992, dated January 28, 1994, appearing in the Annual Report on Form 10-K of Kansas City Power & Light Company for the fiscal year ended December 31, 1993, into the Company's previously filed Form S-3 Registration Statements (Registration No. 33-54196 and 33-51799) and Form

S-8 Registration Statements (Registration No. 33-45618 and Registration No. 33-62942).

/s/Coopers & Lybrand
Coopers & Lybrand

Kansas City, Missouri
March 25, 1994

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/William H. Clark
William H. Clark

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared William H. Clark, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/Robert J. Dineen
Robert J. Dineen

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared Robert J. Dineen, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/Arthur J. Doyle
Arthur J. Doyle

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared Arthur J. Doyle, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/W. Thomas Grant II
W. Thomas Grant II

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared W. Thomas Grant II, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/George E. Nettels, Jr.
George E. Nettels, Jr.

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared George E. Nettels, Jr., to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/George A. Russell
George A. Russell

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared George A. Russell, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/Linda H. Talbott
Linda H. Talbott

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared Linda H. Talbott, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of February, 1994.

/s/Robert H. West
Robert H. West

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 1st day of February, 1994, before me the undersigned, a Notary Public, personally appeared Robert H. West, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Janee C. Rosenthal
Notary Public for State of
Missouri, Clay County

My Commission Expires:
February 25, 1995