

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

KCPL FINANCING I KCPL FINANCING II KCPL FINANCING III (Exact name of registrants as specified in their Trust Agreements) DELAWARE (State or other jurisdiction of incorporation or organization)	KANSAS CITY POWER & LIGHT COMPANY (Exact name of registrant as specified in its charter) MISSOURI (State or other jurisdiction of incorporation or organization)
(To be applied for)	(I.R.S. Employer Identification Nos.) 44-0308720

1201 Walnut Kansas City, Missouri 64106-2124 (816) 556-2200 (Address, including zip code, and telephone number including area code, of registrants' principal executive offices)	Jeanie Sell Latz Senior Vice President and Chief Legal Officer Kansas City Power & Light Company 1201 Walnut Kansas City, Missouri 64106-2124 (Name, Address, including zip code, and telephone number including area code, of agent for service)
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PLEASE SEND COPIES OF ALL CORRESPONDENCE TO:

R. Todd Viereg, P.C.
Sidley & Austin
One First National Plaza
Chicago, IL 60603

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: FROM TIME
TO TIME AFTER THE REGISTRATION STATEMENT BECOMES EFFECTIVE, AS DETERMINED BY
MARKET CONDITIONS AND OTHER FACTORS.

If the only securities being registered on this Form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box. / /

If any of the securities being registered on this Form are to be offered on
a delayed or continuous basis pursuant to Rule 415 under the Securities Act of
1933, other than securities offered only in connection with dividend or
interest reinvestment plans, please check the following box. /X/

If this Form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, check the following box and
list the Securities Act registration statement number of the earlier effective
registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(c)
under the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering. / /

If delivery of the prospectus is expected to be made pursuant to Rule 434,
please check the following box. / /

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed Maximum offering price per unit (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee
KCPL Financing I KCPL Financing II KCPL Financing III Preferred Securities.....				
Kansas City Power & Light Company Guarantees with respect to Preferred Securities (3).....				
Kansas City Power & Light Company Junior Subordinated Deferrable Interest Debentures.....				
Total.....	\$300,000,000	100%	\$300,000,000	\$90,909

(1) There are being registered hereunder a presently indeterminate number of
Preferred Securities of KCPL Financing I, KCPL Financing II and KCPL
Financing III (together with related Guarantees and Junior Subordinated
Deferrable Interest Debentures of Kansas City Power & Light Company, for
which no separate consideration will be received by any of the Registrants)
all with an aggregate initial public offering price not to exceed

\$300,000,000.

- (2) Pursuant to Rule 457(n) and (o), the registration fee is calculated on the basis of the proposed aggregate maximum offering price of the Preferred Securities.
- (3) Includes the rights of holders of the Preferred Securities under the Guarantee Agreements and certain back-up undertakings as described in the Registration Statement.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

EXPLANATORY NOTE

This Registration Statement contains a prospectus and form of prospectus supplement to be used in connection with the offer and sale of Preferred Securities of KCPL Financing I, KCPL Financing II, and KCPL Financing III, each a Delaware business trust (collectively, the "Trusts").

Kansas City Power & Light Company and the Trusts plan to consummate from time to time, transactions involving the sale of securities registered pursuant to this Registration Statement, provided that the proceeds therefrom will not exceed an aggregate amount of \$300,000,000. No decisions have been made as to which securities will be issued or the timing or size of any offering of such securities. Such determinations will be made from time to time in the light of market and other conditions.

Information contained in this prospectus supplement is subject to completion pursuant to Rule 424 under the Securities Act of 1933. A registration statement relating to these securities has been declared effective by the Securities and Exchange Commission pursuant to Rule 415 under the Securities Act of 1933. A final prospectus supplement will be delivered to purchasers of these securities. This prospectus supplement and the prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

SUBJECT TO COMPLETION, DATED _____, 199_
 PROSPECTUS SUPPLEMENT
 (TO PROSPECTUS DATED _____, 199_)

PREFERRED SECURITIES
 % TRUST ORIGINATED PREFERRED SECURITIES-SM- ("TOPRS-SM-")
 KCPL FINANCING I
 (LIQUIDATION AMOUNT \$25 PER PREFERRED SECURITY)
 FULLY AND UNCONDITIONALLY GUARANTEED BY

KANSAS CITY POWER & LIGHT COMPANY

The % Trust Originated Preferred Securities (the "Preferred Securities") offered hereby represent undivided preferred beneficial interests in the assets of KCPL Financing I, a statutory business trust formed under the laws of the State of Delaware ("the Trust"). Kansas City Power & Light Company, a Missouri corporation ("KCPL"), will own all of the common securities (the "Common Securities", and together with the Preferred Securities, the "Trust Securities") representing undivided beneficial interests in the assets of the Trust. The Trust exists for the sole purpose of issuing the Trust Securities and investing the proceeds thereof in an equivalent amount of % Junior Subordinated Deferrable Interest Debentures due ____ (the "Subordinated Debentures") of KCPL. The Subordinated Debentures will mature on _____, _____, which date may be shortened to a date not earlier than _____, (such date, the "Stated Maturity"), in each

(continued on next page)

SEE "RISK FACTORS" BEGINNING ON PAGE S-7 OF THIS PROSPECTUS SUPPLEMENT FOR CERTAIN INFORMATION RELEVANT TO AN INVESTMENT IN THE PREFERRED SECURITIES, INCLUDING THE PERIOD AND CIRCUMSTANCES DURING AND UNDER WHICH PAYMENTS OF DISTRIBUTIONS ON THE PREFERRED SECURITIES MAY BE DEFERRED AND THE RELATED UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF SUCH DEFERRAL.

Application has been made to list the Preferred Securities on the New York Stock Exchange, Inc. (the "New York Stock Exchange"). If so approved, trading of the Preferred Securities on the New York Stock Exchange is expected to commence within a 30-day period after the initial delivery of the Preferred Securities. See "Underwriting."

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS TO WHICH IT RELATES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	INITIAL PUBLIC OFFERING PRICE (1)	UNDERWRITING COMMISSION (2)	PROCEEDS TO TRUST (3)(4)
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Per Preferred Security	\$	(3)	\$
Total	\$	(3)	\$

- (1) Plus accrued distributions, if any, from _____, 199_.
- (2) The Trust and KCPL have agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended. See "Underwriting."
- (3) In view of the fact that the proceeds of the sale of the Preferred Securities will be invested in the Subordinated Debentures, KCPL has agreed to pay to the Underwriters as compensation (the "Underwriters' Compensation") for their arranging the investment therein of such proceeds \$ _____ per Preferred Security (or \$ _____ in the aggregate); provided, that such compensation for sales of 10,000 or more Preferred Securities to a single purchaser will be \$ _____ per Preferred Security. Therefore, to the extent of such sales, the actual amount of Underwriters' Compensation will be less than the aggregate amount specified in the preceding sentence. See "Underwriting."
- (4) Before deducting expenses of the offering which are payable by KCPL estimated at \$ _____.

The Preferred Securities offered hereby are offered severally by the Underwriters, as specified herein, subject to receipt and acceptance by them and subject to their right to reject any order in whole or in part. It is expected that delivery of the Preferred Securities will be made only in book-entry form through the facilities of The Depository Trust Company, on or about _____, 199_.

MERRILL LYNCH & CO.

The date of this Prospectus Supplement is _____, 199_.
 - SM-"Trust Originated Preferred Securities" and "TOPRS" are service marks of

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(CONTINUED FROM PREVIOUS PAGE)

case subject to satisfying certain conditions. The Subordinated Debentures when issued will be unsecured obligations of KCPL and will be subordinate and junior in right of payment to certain other indebtedness of KCPL, as described herein. Upon an event of default under the Declaration (as defined below), the holders of Preferred Securities will have a preference over the holders of the Common Securities with respect to payments of distributions and payments upon redemption, liquidation and otherwise.

— Holders of the Preferred Securities are entitled to receive cumulative cash distributions at an annual rate of % of the liquidation amount of \$25 per Preferred Security, accruing from the date of original issuance and payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year, commencing ("distributions"). The payment of distributions out of moneys held by the Trust and payments on liquidation of the Trust or the redemption of Preferred Securities, as set forth below, are guaranteed by KCPL (the "Preferred Securities Guarantee") to the extent described herein and under "Description of Preferred Securities Guarantees" in the accompanying Prospectus. The Preferred Securities Guarantee covers payments of distributions and other payments on the Preferred Securities if and to the extent that the Trust has funds available therefor, which will not be the case unless KCPL has made payments of interest or principal or other payments on the Subordinated Debentures held by the Trust as its sole asset. The Preferred Securities Guarantee, when taken together with KCPL's obligations under the Subordinated Debentures and the Indenture (as defined below) and its obligations under the Declaration, including its liabilities to pay costs, expenses, debts and obligations of the Trust (other than with respect to the Trust Securities), provide a full and unconditional guarantee of amounts due on the Preferred Securities. See "Risk Factors-Rights Under the Preferred Securities Guarantee" herein. The obligations of KCPL under the Preferred Securities Guarantee are subordinate and junior in right of payment to all other liabilities of KCPL and rank PARI PASSU with the most senior preferred stock issued from time to time by KCPL. The obligations of KCPL under the Subordinated Debentures are subordinate and junior in right of payment to all present and future Senior Indebtedness (as defined herein) of KCPL, which aggregated approximately \$ at September 30, 1996, and rank PARI PASSU with KCPL's other general unsecured creditors. The Subordinated Debentures purchased by the Trust may be subsequently distributed pro rata to holders of the Preferred Securities and Common Securities in connection with the dissolution of the Trust.

The distribution rate and the distribution payment date and other payment dates for the Preferred Securities will correspond to the interest rate and interest payment date and other payment dates on the Subordinated Debentures, which will be the sole assets of the Trust. As a result, if principal or interest is not paid on the Subordinated Debentures, no amounts will be paid on the Preferred Securities. If KCPL does not make principal or interest payments on the Subordinated Debentures, the Trust will not have sufficient funds to make distributions on the Preferred Securities. In such event, the Preferred Securities Guarantee will not apply to such distributions until the Trust has funds available therefor.

So long as KCPL is not in default in the payment of interest on the Subordinated Debentures, KCPL has the right to defer payments of interest on the Subordinated Debentures by extending the interest payment period on the Subordinated Debentures at any time for up to 20 consecutive quarters (each, an "Extension Period"), provided that an Extension Period may not extend beyond the Stated Maturity of the Subordinated Debentures. If interest payments are

so deferred, distributions on the Preferred Securities will also be deferred. During such Extension Period, distributions will continue to accrue with interest thereon (to the extent permitted by applicable law) at an annual rate of % percent per annum compounded quarterly, and during any Extension Period holders of Preferred Securities will be required to include deferred interest income in their gross income for United States federal income tax purposes in advance of receipt of the cash distributions with respect to such deferred interest payments. There could be multiple Extension Periods of varying lengths throughout the term of the Subordinated Debentures. See "Description of the Subordinated Debentures--Option to Extend Interest Payment Period," "Risk Factors--Option to Extend Interest Payment Period" and "United States Federal Income Taxation--Interest Income and Original Issue Discount."

The Subordinated Debentures are redeemable by KCPL, in whole or in part, from time to time, on or after , or, in whole but not in part, prior to , upon the occurrence of a Tax Event (as defined herein). If KCPL redeems Subordinated Debentures, the Trust must redeem Trust Securities on a pro rata basis having an aggregate liquidation amount equal to the aggregate principal amount of the Subordinated Debentures so redeemed at \$25 per Preferred Security plus accrued and unpaid distributions thereon (the "Redemption Price") to the date fixed for redemption. See "Description of the Preferred Securities--Tax Event Redemption." The Preferred Securities will be redeemed upon maturity of the Subordinated Debentures.

KCPL will have the right at any time to liquidate the Trust and cause the Subordinated Debentures to be distributed to the holders of the Trust Securities. If the Subordinated Debentures are distributed to the holders of the Preferred Securities, KCPL will use its best efforts to have the Subordinated Debentures listed on the New York Stock Exchange or on such other exchange as the Preferred Securities are then listed. See "Description of the Preferred Securities--Termination of the Trust and Distribution of Subordinated Debentures" and "Description of the Subordinated Debentures."

In the event of the involuntary or voluntary dissolution, winding-up or termination of the Trust, the holders of the Preferred Securities will be entitled to receive for each Preferred Security a liquidation amount of \$25 plus accrued and unpaid distributions thereon (including interest thereon) to the date of payment, unless, in connection with such dissolution, the Subordinated Debentures are distributed to the holders of the Preferred Securities.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, IN THE OVER-THE-COUNTER MARKET OR OTHERWISE. SUCH STABILIZING TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

RISK FACTORS

Prospective purchasers of Preferred Securities should carefully review the information contained elsewhere in this Prospectus Supplement and in the accompanying Prospectus and should particularly consider the following matters.

ABSENCE OF PRIOR PUBLIC MARKET

Prior to this offering, there has been no public market for the Preferred Securities. Although application has been made to list the Preferred Securities on the New York Stock Exchange, there can be no assurance that, once listed, an active trading market will develop for the Preferred Securities or that, if such market develops, the market price will equal or exceed the public offering price set forth on the cover page of this Prospectus Supplement.

RANKING OF PREFERRED SECURITIES GUARANTEE AND SUBORDINATED DEBENTURES

KCPL's obligations under the Guarantee are subordinate and junior in right of payment to all other liabilities of KCPL, including the Subordinated Debentures, and rank PARI PASSU with the most senior preferred stock issued from time to time by KCPL. The obligations of KCPL under the Subordinated Debentures are subordinate and junior in right of payment to all present and future Senior Indebtedness of KCPL and rank PARI PASSU with obligations to or rights of KCPL's other general unsecured creditors. No payment may be made of the principal of, premium, if any, or interest on the Subordinated Debentures, or in respect of any redemption, retirement, purchase or other acquisition of any of the Subordinated Debentures, at any time when (i) there is a default in the payment of principal, premium, interest or any other payment due on any Senior Indebtedness, or (ii) the maturity of any Senior Indebtedness has been accelerated because of a default. As of September 30, 1996, Senior Indebtedness of KCPL aggregated approximately \$___ million. There are no terms in the Preferred Securities, the Subordinated Debentures or the Guarantee that limit KCPL's ability to incur additional indebtedness, including indebtedness which ranks senior to the Subordinated Debentures and the Guarantee. See "Description of the Preferred Securities Guarantees--Status of the Preferred Securities Guarantees" and "Description of the Subordinated Debentures" in the accompanying Prospectus, and "Description of the Subordinated Debentures--Subordination" herein.

RIGHTS UNDER THE PREFERRED SECURITIES GUARANTEE

The Preferred Securities Guarantee will be qualified as an indenture under the Trust Indenture Act. The First National Bank of Chicago will act as indenture trustee under the Preferred Securities Guarantee for the purposes of compliance with the provisions of the Trust Indenture Act (the "Guarantee Trustee"). The Guarantee Trustee will hold the Preferred Securities Guarantee for the benefit of the holders of the Preferred Securities.

The Preferred Securities Guarantee guarantees to the holders of the Preferred Securities the payment of (i) any accrued and unpaid distributions that are required to be paid on the Preferred Securities, to the extent the Trust has funds available therefor, (ii) the Redemption Price, including all accrued and unpaid distributions with respect to Preferred Securities called for redemption by the Trust, to the extent the Trust has funds available therefor, and (iii) upon a voluntary or involuntary dissolution, winding-up or termination of the Trust (other than in connection with the distribution of Subordinated Debentures to the holders of Preferred

Securities or a redemption of all the Preferred Securities), the lesser of (a) the aggregate of the liquidation amount and all accrued and unpaid distributions on the Preferred Securities to the date of the payment to the extent the Trust has funds available therefor or (b) the amount of assets of the Trust remaining available for distribution to holders of the Preferred Securities in liquidation of the Trust.

The holders of a majority in liquidation amount of the Preferred Securities have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Guarantee Trustee or to direct the exercise of any trust or power conferred upon the Guarantee Trustee under the Preferred Securities Guarantee. Notwithstanding the foregoing, any holder of Preferred Securities may institute a legal proceeding directly against KCPL to enforce such holder's rights under the Preferred Securities Guarantee without first instituting a legal proceeding against the Trust, the Guarantee Trustee or any other person or entity. If KCPL were to default on its obligation to pay amounts payable on the Subordinated Debentures or otherwise, the Trust would lack available funds for the payment of distributions or amounts payable on redemption of the Preferred Securities or otherwise, and, in such event, holders of the Preferred Securities would not be able to rely upon the Preferred Securities Guarantee for payment of such amounts. Instead, holders of the Preferred Securities would rely on the enforcement (1) by the Property Trustee (as defined herein) of its rights as registered holder of the Subordinated Debentures against KCPL pursuant to the terms of the Subordinated Debentures or (2) by such holders of their right against KCPL to enforce payments on the Subordinated Debentures. See "Description of the Preferred Securities Guarantees" and "Description of the Subordinated Debentures" in the accompanying Prospectus. The Declaration provides that each holder of Preferred Securities, by acceptance thereof, agrees to the provisions of the Preferred Securities Guarantee, including the subordination provisions thereof, and the Indenture.

ENFORCEMENT OF CERTAIN RIGHTS BY HOLDERS OF PREFERRED SECURITIES

If a Declaration Event of Default (as defined herein) occurs and is continuing, then the holders of Preferred Securities would rely on the enforcement by the Property Trustee of its rights as a holder of the Subordinated Debentures against KCPL. In addition, the holders of a majority in liquidation amount of the Preferred Securities will have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Property Trustee or to direct the exercise of any trust or power conferred upon the Property Trustee under the Declaration, including the right to direct the Property Trustee to exercise the remedies available to it as a holder of the Subordinated Debentures. If the Property Trustee fails to enforce its rights under the Subordinated Debentures, a holder of Preferred Securities may institute a legal proceeding directly against KCPL to enforce the Property Trustee's rights under the Subordinated Debentures without first instituting any legal proceeding against the Property Trustee or any other person or entity. Notwithstanding the foregoing, if a Declaration Event of Default has occurred and is continuing, and such event is attributable to the failure of KCPL to pay interest or principal on the Subordinated Debentures on the date such interest or principal is otherwise payable (or in the case of redemption, on the redemption date), then a holder of Preferred Securities may directly institute a proceeding for enforcement of payment to such holder of the principal of or interest on the Subordinated Debentures having a principal amount equal to the aggregate liquidation amount of the Preferred Securities of such holder (a "Direct Action") on or after the respective due date specified in the Subordinated Debentures. In connection with such Direct Action, KCPL will be subrogated to the rights of such holder of

Preferred Securities under the Declaration to the extent of any payment made by KCPL to such holder of Preferred Securities in such Direct Action. The holders of Preferred Securities will not be able to exercise directly any other remedy available to the holders of the Subordinated Debentures. See "Description of the Preferred Securities-Declaration Events of Default."

OPTION TO EXTEND INTEREST PAYMENT PERIOD

KCPL has the right under the Indenture to defer payments of interest on the Subordinated Debentures by extending the interest payment period at any time, and from time to time, on the Subordinated Debentures. As a consequence of such an extension, quarterly distributions on the Preferred Securities would be deferred (but would continue to accrue, despite such deferral, with interest thereon compounded quarterly) by the Trust during any such Extension Period. Such right to extend the interest payment period for the Subordinated Debentures is limited to a period not exceeding 20 consecutive quarters, but no such Extension Period may extend beyond the Stated Maturity of the Subordinated Debentures. During any Extension Period, (a) KCPL may not declare or pay dividends on, or make a distribution with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged), (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities issued by KCPL that rank PARI PASSU with or junior to the Subordinated Debentures, and (c) KCPL may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantee). Prior to the termination of any such Extension Period, KCPL may further extend the interest payment period; provided, that such Extension Period, together with all such previous and further extensions thereof, may not exceed 20 consecutive quarters or extend beyond the maturity of the Subordinated Debentures. Upon the termination of any Extension Period and the payment of all amounts then due, KCPL may commence a new Extension Period, subject to the above requirements. See "Description of the Preferred Securities-Distributions" and "Description of the Subordinated Debentures-Option to Extend Interest Payment Period."

Should KCPL exercise its right to defer payments of interest by extending the interest payment period, each holder of Preferred Securities would be required to accrue income (as original issue discount ("OID")) in respect of the interest payable thereafter allocable to its Preferred Securities for United States federal income tax purposes, which would be allocated but not distributed to holders of Preferred Securities. As a result, each such holder of Preferred Securities would recognize income for United States federal income tax purposes in advance of the receipt of cash and would not receive the cash from the Trust related to such income if such holder disposed of its Preferred Securities prior to the record date for the date on which distributions of such amounts were made. See United States Federal Income Taxation -- Interest Income and Original Issue Discount. KCPL has no current intention of exercising its right to defer payments of interest by extending the interest payment period on the Subordinated Debentures. However, should KCPL determine to exercise such right in the future, the market price of the Preferred Securities is likely to be affected. A holder that disposes of its Preferred

Securities during an Extension Period, therefore, might not receive the same return on its investment as a holder that continues to hold its Preferred Securities. In addition, as a result of the existence of KCPL's right to defer interest payments, the market price of the Preferred Securities (which represent an undivided beneficial interest in the Subordinated Debentures) may be more volatile than other securities that do not have such rights. See "United States Federal Income Taxation--Sales of Preferred Securities."

POSSIBLE TAX LAW CHANGES

On March 19, 1996, the Revenue Reconciliation Bill of 1996 (the "Bill") was released, which would, among other things, generally deny interest deductions for United States federal income tax purposes for interest on an instrument, issued by a corporation, that has a maximum weighted average maturity of more than 40 years. The Bill would also generally deny interest deductions for interest on an instrument, issued by a corporation, that has a maximum term of more than 20 years and that is not shown as indebtedness on the separate balance sheet of the issuer or, where the instrument is issued to a related party (other than a corporation), where the holder or some other related party issues a related instrument that is not shown as indebtedness on the issuer's consolidated balance sheet. The above-described provisions of the Bill were proposed to be effective generally for debt instruments issued on or after December 7, 1995. If either provision were to apply to the Subordinated Debentures, KCPL would be unable to deduct interest on the Subordinated Debentures for United States federal income tax purposes. However, on March 29, 1996, the Chairmen of the Senate Finance and House Ways and Means Committees issued a joint statement to the effect that it was their intention that the effective date of the President's legislative proposals, if adopted, will be no earlier than the date of appropriate Congressional action. KCPL believes that, under current law, it will be able to deduct interest on the Subordinated Debentures. There can be no assurance, however, that current or future legislative proposals or final legislation will not affect the ability of KCPL to deduct interest on the Subordinated Debentures. Such a change could give rise to a Tax Event, which may permit KCPL to cause a redemption of the Preferred Securities. See "Description of the Preferred Securities -- Tax Event Redemption" and "United States Federal Income Taxation -- Possible Tax Law Changes."

There can be no assurance as to the market prices for the Preferred Securities or the Subordinated Debentures that may be distributed in exchange for Preferred Securities if a dissolution or liquidation of the Trust were to occur. Accordingly, the Preferred Securities that an investor may purchase, or the Subordinated Debentures that the investor may receive on dissolution and liquidation of the Trust, may trade at a discount to the price that the investor paid to purchase the Preferred Securities offered hereby. Because holders of Preferred Securities may receive Subordinated Debentures upon the occurrence of a Tax Event, or in other circumstances, prospective purchasers of Preferred Securities are also making an investment decision with regard to the Subordinated Debentures and should carefully review all the information regarding the Subordinated Debentures and KCPL contained herein and in the accompanying Prospectus. See "Description of the Preferred Securities -- Tax Event Redemption" and "Description of the Subordinated Debentures".

REDEMPTION OR DISTRIBUTION OF THE SUBORDINATED DEBENTURES

KCPL will have the right at any time to terminate the Trust and, after satisfaction of claims of creditors as provided by applicable law, to cause the Subordinated Debentures to be distributed to the holders of the Trust Securities. In certain circumstances, KCPL will have the right to redeem the Subordinated Debentures, in whole or in part, in which event the Trust will redeem the Trust Securities on a pro rata basis to the same extent as the Subordinated Debentures are redeemed by KCPL. See "Description of the Preferred Securities--Tax Event Redemption" and "United States Federal Income Taxation."

Under current United States federal income tax law, a distribution of Subordinated Debentures upon the dissolution of the Trust would not be a taxable event to holders of the Preferred Securities. If, however, the Trust is characterized for United States federal income tax purposes as an association taxable as a corporation at the time of dissolution of the Trust, the distribution of the Subordinated Debentures would be a taxable event to holders of Preferred Securities. Moreover, the redemption of the Subordinated Debentures upon occurrence of a Tax Event, or a dissolution of the Trust in which holders of the Preferred Securities receive cash would be a taxable event to such holders. See "United States Federal Income Taxation -- Receipt of Subordinated Debentures or Cash Upon Liquidation of the Trust."

There can be no assurance as to the market prices for the Preferred Securities or the Subordinated Debentures that may be distributed in exchange for Preferred Securities if a dissolution or liquidation of the Trust were to occur. Accordingly, the Preferred Securities or the Subordinated Debentures may trade at a discount to the price that the investor paid to purchase the Preferred Securities offered hereby. Because holders of Preferred Securities may receive Subordinated Debentures, prospective purchasers of Preferred Securities are also making an investment decision with regard to the Subordinated Debentures and should carefully review all the information regarding the Subordinated Debentures contained herein and in the accompanying Prospectus. See "Description of the Preferred Securities--Tax Event Redemption" and "Description of the Subordinated Debentures-General."

SHORTENING THE STATED MATURITY OF THE SUBORDINATED DEBENTURES

KCPL will have the right at any time to shorten the maturity of the Subordinated Debentures to a date not earlier than _____, _____.

LIMITED VOTING RIGHTS

Holders of Preferred Securities will have limited voting rights and will not be entitled to vote to appoint, remove or replace, or to increase or decrease the number of, KCPL Trustees, which voting rights are vested exclusively in the holder of the Common Securities. See "Description of Preferred Securities--Voting Rights."

TRADING PRICE OF PREFERRED SECURITIES

The Preferred Securities may trade at a price that does not fully reflect the value of accrued but unpaid interest with respect to the underlying Subordinated Debentures. A holder of Preferred Securities who uses the accrual method of accounting for tax purposes (and a cash method holder, if the Subordinated Debentures are deemed to have been issued with OID) and

who disposes of such Preferred Securities between record dates for payments of distributions thereon will be required to include accrued but unpaid interest on the Subordinated Debentures through the date of disposition in income as ordinary income (i.e., interest or possibly OID), and to add such amount to the adjusted tax basis in its pro rata share of the underlying Subordinated Debentures deemed disposed of. To the extent the selling price is less than the holder's adjusted tax basis (which will include, all accrued but unpaid interest), a holder will recognize a capital loss. Subject to certain limited exceptions, capital losses cannot be applied to offset ordinary income for United States federal income tax purposes. See United States Federal Income Taxation -- Interest Income and Original Issue Discount" and "-- Sales of Preferred Securities."

CONSEQUENCES OF HIGHLY LEVERAGED TRANSACTION

The Indenture does not contain provisions that afford holders of the Subordinated Debentures protection in the event of a highly leveraged transaction, including a change of control, or other similar transactions involving KCPL that may adversely affect such holders. See "Description of the Subordinated Debentures."

KANSAS CITY POWER & LIGHT COMPANY

Kansas City Power & Light Company, a Missouri corporation, is a medium-size electric utility, headquartered in downtown Kansas City, which generates and distributes electricity to over 430,000 customers in a 4,700-square mile area located in 23 counties in western Missouri and eastern Kansas. Customers include 380,000 residences, 50,000 commercial firms, and over 3,000 industries, municipalities and other electric utilities. About two-thirds of total Kwh sales and revenue are from Missouri customers and the remainder from Kansas customers. The address of the principal executive office is 1201 Walnut, Kansas City, Missouri 64106-2124 (Telephone: (816) 556-2200.

THE TRUST

The Trust is a statutory business trust formed under Delaware law pursuant to the filing of a certificate of trust with the Delaware Secretary of State on December __, 1996. The business of the Trust is defined in a declaration of trust executed by KCPL, as sponsor (the "Sponsor"), and the Trustees (as defined herein). Such declaration will be amended and restated in its entirety (as so amended and restated, the "Declaration") substantially in the form filed as an exhibit to the Registration Statement of which this Prospectus Supplement and the accompanying Prospectus form a part. The Declaration will be qualified as an indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). Upon issuance of the Preferred Securities, the purchasers thereof will own all of the Preferred Securities. See "Description of the Preferred Securities-Book-Entry Only Issuance-The Depository Trust Company." KCPL will acquire Common Securities in an aggregate liquidation amount equal to approximately 3 percent of the total capital of the Trust. The Trust exists for the exclusive purposes of (i) issuing the Trust Securities representing undivided beneficial interests in the assets of the Trust, (ii) investing the gross proceeds of the Trust Securities in the Subordinated Debentures and (iii) engaging in only those other activities necessary or incidental thereto. The Trust has a term of 45 years, but may terminate earlier as provided in the Declaration.

Pursuant to the Declaration, the number of the Trustees of the Trust will initially be four. Two of the Trustees (the "Regular Trustees") will be persons who are employees or officers of,

or who are affiliated with, KCPL. A third trustee will be a financial institution that is unaffiliated with KCPL, which trustee will serve as property trustee under the Declaration and as indenture trustee for the purposes of compliance with the provisions of the Trust Indenture Act (the "Property Trustee"). The fourth Trustee will be either a legal entity with its principal place of business in Delaware or an individual resident in Delaware, which will serve for the limited purpose of satisfying certain Delaware laws (the "Delaware Trustee"). Initially, The First National Bank of Chicago will be the Property Trustee and First Chicago Delaware Inc. will be the Delaware Trustee until removed or replaced by the holder of the Common Securities. For purposes of compliance with the provisions of the Trust Indenture Act, The First National Bank of Chicago will act as trustee (the "Preferred Guarantee Trustee") under the Preferred Securities Guarantee. The First National Bank of Chicago will act as Debt Trustee (as defined herein) under the Indenture. See "Description of the Preferred Securities Guarantees" in the accompanying Prospectus and "Description of the Preferred Securities-Voting Rights" herein.

The Property Trustee will hold title to the Subordinated Debentures for the benefit of the holders of the Trust Securities and will have the power to exercise all rights, powers and privileges under the Indenture as the holder of the Subordinated Debentures. In addition, the Property Trustee will maintain exclusive control of a segregated non-interest bearing bank account (the "Property Account") to hold all payments made in respect of the Subordinated Debentures for the benefit of the holders of the Trust Securities. The Property Trustee will make payments of distributions and payments on liquidation, redemption and otherwise to the holders of the Trust Securities out of funds from the Property Account. The Preferred Guarantee Trustee will hold the Preferred Securities Guarantee for the benefit of the holders of the Preferred Securities. KCPL, as the direct or indirect holder of all the Common Securities, will have the right to appoint, remove or replace any Trustee and to increase or decrease the number of Trustees. KCPL will pay all fees and expenses related to the Trust and the offering of the Trust Securities. See "Description of the Subordinated Debentures-Miscellaneous."

The rights of the holders of the Preferred Securities, including economic rights, rights to information and voting rights, are set forth in the Declaration, the Delaware Business Trust Act (the "Trust Act") and the Trust Indenture Act. See "Description of the Preferred Securities."

SELECTED FINANCIAL DATA
KANSAS CITY POWER & LIGHT COMPANY

Income Statement Information

	Year Ended December 31, -----			Twelve Months Ended Sept. 30, 1996 -----
	1993	1994	1995	(Unaudited)
	----	----	----	
	(Thousands)			
(Thousands)				
Operating revenues.	\$857,450	\$868,272	\$885,955	\$907,105
Operating income.	\$156,302	\$149,691	\$167,048	\$179,636
Net income.	\$105,772	\$104,775	\$122,586	\$111,753

RECENT DEVELOPMENTS

[To be completed
as of the date of
the Prospectus Supplement]

CAPITALIZATION OF KCPL

The following table sets forth the capitalization of KCPL at September 30, 1996, and KCPL's capitalization as of such date as adjusted to reflect the sales of the Preferred Securities but does not reflect any portion of the \$398 million principal amount of Medium-Term Notes which are being offered by the Company for sale from time to time through agents pursuant to separate properties. In the fourth quarter of 1996, \$98 million of these Notes have been issued. The table should be read in conjunction with KCPL's consolidated financial statements and notes thereto included in the documents incorporated by reference herein. See "Incorporation of Certain Documents by Reference" in the accompanying Prospectus.

September 30, 1996

(Millions)

	Actual (unaudited)	Adjusted
Long-term debt(1):		
Bonds	\$ 762	762
Subsidiary Obligations	119	119
Total Long-term debt	881	881
Preferred Stock	90	90
Company Obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trust		300
Common equity	917	917
Total	\$1888	\$2188

(1) Includes long-term debt included in current liabilities.

ACCOUNTING TREATMENT

The financial statements of the Trust will be consolidated into KCPL's consolidated financial statements, with the Preferred Securities treated as minority interest and shown in KCPL's balance sheet as "Company-obligated mandatorily redeemable preferred securities of subsidiary trust holding solely Company subordinated debt securities." The financial statement footnotes of KCPL will reflect that the sole asset of the Trust will be the Subordinated Debentures. See "Capitalization."

USE OF PROCEEDS

The Trust will use the proceeds of the sale of the Trust Securities to acquire Subordinated Debentures from KCPL. KCPL intends to add the net proceeds from the sale of the Subordinated Debentures to the general funds of KCPL for use for corporate purposes, which may include capital expenditures, acquisitions, refinancing or repurchase of outstanding long-term debt, preferred and common securities, investments in subsidiaries, and repayment of short-term debt and other business opportunities.

DESCRIPTION OF THE PREFERRED SECURITIES

The Preferred Securities will be issued pursuant to the terms of the Declaration. The Declaration will be qualified as an indenture under the Trust Indenture Act. The Property Trustee will act as the indenture trustee for purposes of compliance with the provisions of the Trust Indenture Act. The terms of the Preferred Securities will include those stated in the

Declaration and those made part of the Declaration by the Trust Indenture Act. The following summary of the principal terms and provisions of the Preferred Securities, which supplements and to the extent inconsistent, replaces, the description set forth under the caption "Description of the Preferred Securities" in the accompanying Prospectus, does not purport to be complete and is subject to, and qualified in its entirety by reference to, the Declaration, a copy of the form of which is filed as an exhibit to the Registration Statement of which this Prospectus forms a part, the Trust Act and the Trust Indenture Act.

GENERAL

The Declaration authorizes the Regular Trustees, on behalf of the Trust, to issue the Preferred Securities, which represent preferred undivided beneficial interests in the assets of the Trust, and the Common Securities, which represent common undivided beneficial interests in the assets of the Trust. All of the Common Securities will be owned by KCPL. The Common Securities rank PARI PASSU, and payments will be made thereon on a pro rata basis, with the Preferred Securities, except that upon the occurrence and during the continuation of a Declaration Event of Default, the rights of the holders of the Common Securities to receive payment of periodic distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights to payment of the holders of the Preferred Securities. The Declaration does not permit the issuance by the Trust of any securities other than the Trust Securities or the incurrence of any indebtedness by the Trust. Pursuant to the Declaration, the Property Trustee will own and hold the Subordinated Debentures for the benefit of the holders of the Trust Securities. The payment of distributions out of money held by the Trust, and payments upon redemption of the Preferred Securities or liquidation of the Trust, are guaranteed by KCPL to the extent described under "Description of the Preferred Securities Guarantees" in the accompanying Prospectus. The Guarantee Trustee will hold the Preferred Securities Guarantee for the benefit of the holders of the Preferred Securities. The Preferred Securities Guarantee does not cover payment of distributions on the Preferred Securities when the Trust does not have sufficient available funds in the Property Account to make such distributions. In such event, the remedy of a holder of Preferred Securities is to vote to direct the Property Trustee to enforce the Property Trustee's rights under the Subordinated Debentures except in the limited circumstances in which the holder may take Direct Action. See "Voting Rights" and "Declaration Events of Default."

DISTRIBUTIONS

Distributions on the Preferred Securities will be fixed at a rate per annum of ____% of the stated liquidation amount of \$25 per Preferred Security. Distributions in arrears will bear interest at the same per annum rate (to the extent permitted by applicable law). The term "distributions" as used herein includes any such interest payable unless otherwise stated. Distributions on the Preferred Securities will be cumulative, will accrue from the date of the initial issuance of the Preferred Securities and will be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year commencing _____, when, as and if available for payment by the Property Trustee, except as otherwise described below. The amount of distributions payable for any full quarterly period will be computed on the basis of a 360-day year of twelve 30 day months, and for any period shorter than a full quarter, on the basis of the actual number of days elapsed in such a 90-day quarter.

KCPL has the right under the Indenture to defer payments of interest on the Subordinated Debentures by extending the interest payment period from time to time on the Subordinated Debentures issued thereunder which, if exercised, would defer quarterly distributions on the Preferred Securities (though such distributions would continue to accrue interest since interest would continue to accrue on the Subordinated Debentures) during any such extended interest payment period. In the event that KCPL exercises this right, then (a) KCPL may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock, other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged), (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures, and (c) KCPL may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantee). This prohibition effectively requires that any Extension Period with respect to any series of Subordinated Debentures will also apply to each other series of subordinated debentures issued under the Indenture to other trusts similar to the Trust. Prior to the termination of any such Extension Period, KCPL may further extend the interest payment period, provided that such Extension Period, together with all such previous and further extensions thereof, may not exceed 20 consecutive quarters or extend beyond the maturity of the Subordinated Debentures. Upon the termination of any Extension Period and the payment of all amounts then due, KCPL may select a new Extension Period as if no Extension Period had previously been declared, subject to the above requirements. See "-- Voting Rights" and "Description of the Subordinated Debentures -- Interest" and "-- Option to Extend Interest Payment Period." If distributions are deferred, the deferred distributions and accrued interest thereon shall be paid to holders of record of the Preferred Securities, if funds are available therefor, as they appear on the books and records of the Trust on the record date next following the termination of such Extension Period.

Distributions on the Preferred Securities must be paid on the dates payable to the extent that the Trust has funds available for the payment of such distributions in the Property Account. The Trust's funds available for distribution to the holders of the Preferred Securities will be limited to payments received under the Subordinated Debentures. See "Description of the Subordinated Debentures." The payment of distributions out of moneys held by the Trust is guaranteed by KCPL to the extent set forth under "Description of the Preferred Securities Guarantee."

Distributions on the Preferred Securities will be payable to the holders thereof as they appear on the books and records of the Trust on the relevant record dates, which, as long as the Preferred Securities remain in book-entry only form, will be one Business Day (as defined herein) prior to the relevant payment dates, which payment dates correspond to the interest payment dates on the Subordinated Debentures. Such distributions will be paid through the Property Trustee, which will hold amounts received in respect of the Subordinated Debentures in the Property Account for the benefit of the holders of the Trust Securities. Subject to any

applicable laws and regulations and the provisions of the Declaration, each such payment will be made as described under "-Book-Entry Only Issuance -- The Depository Trust Company" below. In the event the Preferred Securities do not continue to remain in book-entry only form, the Regular Trustees will have the right to select relevant record dates which will be at least one Business Day, but less than 60 Business Days, prior to the relevant payment dates. In the event that any date on which distributions are to be made on the Preferred Securities is not a Business Day, then payment of the distributions payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment will be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. A "Business Day" means any day other than a day on which banking institutions in Chicago, Illinois or New York, New York are authorized or required by law to close.

REDEMPTION

The Subordinated Debentures will mature on _____, ____ and may be redeemed, in whole or in part, at any time on or after _____, _____, or at any time in certain circumstances upon the occurrence of a Tax Event. Upon the repayment of the Subordinated Debentures, whether at maturity or upon acceleration, redemption or otherwise, the proceeds from such repayment or payment will simultaneously be applied to redeem Trust Securities having an aggregate liquidation amount equal to the aggregate principal amount of the Subordinated Debentures so repaid or redeemed at the Redemption Price; provided that, except in the case of payments upon maturity, holders of Trust Securities will be given not less than 30 nor more than 60 days notice of such redemption. See "Description of the Subordinated Debentures." In the event that fewer than all of the outstanding Preferred Securities are to be redeemed, the Preferred Securities will be redeemed pro rata as described under "-- Book-Entry Only Issuance-- The Depository Trust Company" below.

TAX EVENT REDEMPTION

"Tax Event" means that the Regular Trustees shall have received an opinion from independent tax counsel experienced in such matters (a "Redemption Tax Opinion") to the effect that, on or after the date of this Prospectus Supplement, as a result of (a) any amendment to, or change (including any announced prospective change) in, the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority thereof or therein or (b) any amendment to, or change in, an interpretation or application of such laws or regulations by any legislative body, court, governmental agency or regulatory authority, which amendment or change is enacted, promulgated, issued or announced or which interpretation or pronouncement is issued or announced or which action is taken, in each case on or after the date of this Prospectus Supplement, there is more than an insubstantial risk that interest payable to the Trust on the Subordinated Debentures would not be deductible in whole or in part by KCPL for United States federal income tax purposes, which change or amendment becomes effective on or after the date of this Prospectus Supplement.

If at any time a Tax Event has occurred and is continuing with respect to the Trust or the Preferred Securities, the Trust may, upon not less than 30 nor more than 60 days notice, redeem the Subordinated Debentures in whole or in part for cash within 90 days following the occurrence of such Tax Event, and, following such redemption, Trust Securities with an

aggregate liquidation amount equal to the aggregate principal amount of the Subordinated Debentures so redeemed will be redeemed by the Trust at the Redemption Price on a pro rata basis; provided, however, that, if at the time there is available to KCPL or the Trust the opportunity to eliminate, within such 90-day period, the Tax Event by taking some ministerial action, such as filing a form or making an election, or pursuing some other similar reasonable measure which has no adverse effect on the Trust, KCPL or the holders of the Trust Securities, KCPL or the Trust will pursue such measure in lieu of redemption.

REDEMPTION PROCEDURES

The Trust may not redeem fewer than all of the outstanding Preferred Securities of the Trust unless all accrued and unpaid distributions have been paid on all Trust Securities for all quarterly distribution periods terminating on or prior to the date of redemption.

If the Trust gives a notice of redemption in respect of Preferred Securities of the Trust (which notice will be irrevocable), then by 12:00 noon, New York City time, on the redemption date, provided that KCPL has paid to the Property Trustee a sufficient amount of cash in connection with the related redemption or maturity of the Subordinated Debentures, the Trust will irrevocably deposit with the depository funds sufficient to pay the applicable Redemption Price and will give the depository irrevocable instructions and authority to pay the Redemption Price to the holders of the Preferred Securities. See "-- Book-Entry Only Issuance -- The Depository Trust Company." If notice of redemption has been given and funds deposited as required, then immediately prior to the close of business on the date of such deposit, distributions will cease to accrue and all rights of holders of such Preferred Securities so called for redemption will cease, except the right of the holders of such Preferred Securities to receive the Redemption Price, but without interest on such Redemption Price. In the event that any date fixed for redemption of Preferred Securities is not a Business Day, then payment of the Redemption Price payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), except that, if such Business Day falls in the next calendar year, such payment will be made on the immediately preceding Business Day. In the event that payment of the Redemption Price in respect of Preferred Securities is improperly withheld or refused and not paid either by the Trust or by KCPL pursuant to the Preferred Securities Guarantee, distributions on such Preferred Securities will continue to accrue, from the original redemption date to the actual date of payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the Redemption Price.

In the event that fewer than all of the outstanding Preferred Securities are to be redeemed, the Preferred Securities will be redeemed pro rata as described under "-- Book-Entry Only Issuance -- The Depository Trust Company" below.

Subject to the foregoing and to applicable law (including, without limitation, United States federal securities laws), KCPL or its affiliates may, at any time and from time to time, purchase outstanding Preferred Securities by tender, in the open market or by private agreement.

DISSOLUTION; DISTRIBUTION OF SUBORDINATED DEBENTURES

In the event of any voluntary dissolution, winding-up or termination of the Trust, the holders of the Preferred Securities at that time will be entitled to receive out of the assets of the Trust, after satisfaction of liabilities to creditors of the Trust, distributions in an amount equal to the aggregate of the stated liquidation amount of \$25 per Preferred Security plus accrued and unpaid distributions thereon to the date of payment (the "Liquidation Distribution"), unless, in connection with such dissolution, winding-up or termination, Subordinated Debentures in an aggregate principal amount equal to the aggregate stated liquidation amount of, with an interest rate identical to the distribution rate of, and accrued and unpaid interest equal to accrued and unpaid distributions, on the Preferred Securities have been distributed on a pro rata basis to the holders of Preferred Securities in exchange for such Preferred Securities.

If upon any such dissolution the Liquidation Distribution can be paid only in part because the Trust has insufficient assets available to pay in full the aggregate Liquidation Distribution, then the amounts payable directly by the Trust on the Preferred Securities shall be paid on a pro rata basis. The holders of the Common Securities will be entitled to receive distributions upon any such dissolution pro rata with the holders of the Preferred Securities, except that if a Declaration Event of Default has occurred and is continuing, the Preferred Securities shall have a preference over the Common Securities.

Pursuant to the Declaration, the Trust will terminate (i) on _____ 20 ____ [45 years], the expiration of the term of the Trust, (ii) upon the bankruptcy of KCPL, (iii) upon the filing of a certificate of dissolution or its equivalent with respect to KCPL, the filing of a certificate of cancellation with respect to the Trust, or the revocation of the charter of KCPL and the expiration of 90 days after the date of revocation without a reinstatement thereof, (iv) upon the entry of a decree of judicial dissolution of KCPL or the Trust, (v) upon the redemption of all of the Trust Securities, (vi) upon the dissolution of the Trust in accordance with the terms of the Trust Securities pursuant to which all Subordinated Debentures shall have been distributed to the holders of the Trust Securities, or (vii) at any time at the option of KCPL upon its written direction to the Property Trustee to dissolve the Trust and distribute the Subordinated Debentures to the holders of the Trust Securities.

If Subordinated Debentures are distributed to the holders of the Preferred Securities, KCPL will use its best efforts to have the Subordinated Debentures listed on the New York Stock Exchange or on such other exchange as the Preferred Securities are then listed.

After the date for any distribution of Subordinated Debentures upon dissolution of the Trust, (i) the Preferred Securities and Preferred Securities Guarantees will no longer be deemed to be outstanding, (ii) the depositary or its nominee, as the record holder of the Preferred Securities, will receive a registered global certificate or certificates representing the Subordinated Debentures to be delivered upon such distribution and (iii) any certificates representing Preferred Securities and Preferred Securities Guarantees not held by the depositary or its nominee will be deemed to represent Subordinated Debentures having an aggregate principal amount equal to the aggregate stated liquidation amount of, with an interest rate identical to the distribution rate of, and accrued and unpaid interest equal to accrued and unpaid distributions on, such Preferred Securities, until such certificates are presented to KCPL or its agent for transfer or reissuance.

There can be no assurance as to the market prices for the Preferred Securities or the Subordinated Debentures that may be distributed in exchange for the Preferred Securities if a dissolution and liquidation of the Trust were to occur. Accordingly, the Preferred Securities that an investor may purchase, or the Subordinated Debentures that the investor may receive on dissolution and liquidation of the Trust, may trade at a discount to the price that the investor paid to purchase the Preferred Securities offered hereby.

DECLARATION EVENTS OF DEFAULT

An event of default under the Indenture (an "Indenture Event of Default") (see "Description of the Subordinated Debentures -- Indenture Events of Default") constitutes an event of default under the Declaration with respect to the Trust Securities (a "Declaration Event of Default"), provided that pursuant to the Declaration, the holder of the Common Securities will be deemed to have waived any Declaration Event of Default with respect to the Common Securities or its consequences until all Declaration Events of Default with respect to the Preferred Securities have been cured, waived or otherwise eliminated. Until such Declaration Events of Default with respect to the Preferred Securities have been so cured, waived or otherwise eliminated, the Property Trustee will be deemed to be acting solely on behalf of the holders of the Preferred Securities and only the holders of the Preferred Securities will have the right to direct the Property Trustee with respect to certain matters under the Declaration, and therefore under the Indenture.

If the Property Trustee fails to enforce its rights under the Subordinated Debentures after a holder of Preferred Securities has made a written request, such holder may institute a legal proceeding against KCPL to enforce the Property Trustee's rights under the Subordinated Debentures without first instituting any legal proceeding against the Trustee or any other person or entity. Notwithstanding the foregoing, if a Declaration Event of Default has occurred and is continuing and such event is attributable to the failure of KCPL to pay interest or principal on the Subordinated Debentures on the date such interest or principal is otherwise payable (or in the case of redemption, the redemption date), then a holder of Preferred Securities may institute a Direct Action for enforcement of payment to such holder directly of the principal of, or interest on, Subordinated Debentures having a principal amount equal to the aggregate liquidation amount of the Preferred Securities of such holder on or after the respective due date specified in the Subordinated Debentures. In connection with such Direct Action, KCPL will be subrogated to the rights of such holder of Preferred Securities under the Declaration to the extent of any payment made by KCPL to such holder of Preferred Securities in such Direct Action. The holders of Preferred Securities will not be able to exercise directly any other remedy available to the holders of the Subordinated Debentures.

Upon the occurrence of a Declaration Event of Default, the Property Trustee, as the sole holder of the Subordinated Debentures, will have the right under the Indenture to declare the principal of, and interest on, the Subordinated Debentures to be immediately due and payable. KCPL and the Trust are each required to file annually with the Property Trustee an officers' certificate as to its compliance with all conditions and covenants under the Declaration.

VOTING RIGHTS

Except as provided below, under the Trust Act, the Trust Indenture Act and under "Description of the Preferred Securities Guarantee -- Amendments and Assignment" in the accompanying Prospectus and as otherwise required by law and the Declaration, the holders of the Preferred Securities will have no voting rights. In the event that KCPL elects to defer payments of interest on the Subordinated Debentures as described above under " -- Distributions," the holders of the Preferred Securities do not have the right to appoint a special representative or trustee or otherwise act to protect their interests.

The holders of a majority in aggregate liquidation amount of the Preferred Securities have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Property Trustee, or to direct the exercise of any trust or power conferred upon the Property Trustee under the Declaration, including the right to direct the Property Trustee, as the holder of the Subordinated Debentures, to (i) direct the time, method and place of conducting any proceeding for any remedy available to the Debt Trustee under the Indenture with respect to the Subordinated Debentures, (ii) waive any past Indenture Event of Default which is waivable under the Indenture, (iii) exercise any right to rescind or annul a declaration that the principal of all the Subordinated Debentures shall be due and payable, or (iv) consent to any amendment, modification or termination of the Indenture or the Subordinated Debentures, where such consent shall be required; provided, however, that where a consent under the Indenture would require the consent of the holders of more than a majority in principal amount of Subordinated Debentures affected thereby (a "Super-Majority"), only the holders of at least the proportion in liquidation amount of the Preferred Securities which the relevant Super-Majority represents of the aggregate principal amount of the Subordinated Debentures may direct the Property Trustee to give such consent. If the Property Trustee fails to enforce its rights under the Declaration, a holder of Preferred Securities may institute a legal proceeding directly against any person to enforce the Property Trustee's rights under the Declaration without first instituting any legal proceeding against the Property Trustee or any other person or entity. The Property Trustee will notify all holders of the Preferred Securities of any notice of default received from the Debt Trustee with respect to the Subordinated Debentures. Such notice will state that such Indenture Event of Default also constitutes a Declaration Event of Default. The Property Trustee will not take any action described in clauses (i), (ii), (iii) or (iv) above unless the Property Trustee has obtained an opinion of independent tax counsel to the effect that, as a result of such action, the Trust will not be classified as other than a grantor trust for United States federal income tax purposes.

In the event the consent of the Property Trustee, as the holder of the Subordinated Debentures, is required under the Indenture for any amendment, modification or termination of the Indenture, the Property Trustee will request, and act only in accordance with, the direction of the holders of a majority in liquidation amount of the Preferred Securities and, if no Declaration Event of Default has occurred and is continuing, the holders of a majority in liquidation amount of the Common Securities, voting together as separate classes, provided that where a consent under the Indenture would require the consent of a Super-Majority, the Property Trustee may only give such consent at the direction of the holders of at least the proportion in liquidation amount of the Preferred Securities and Common Securities, respectively, which the relevant Super-Majority represents of the aggregate principal amount of the Subordinated Debentures outstanding. The Property Trustee will not take any such action in accordance with the directions of the holders of the Trust Securities unless the Property Trustee has obtained an

opinion of independent tax counsel to the effect that, as a result of such action, the Trust will not be classified as other than a grantor trust for United States federal income tax purposes.

A waiver of an Indenture Event of Default will constitute a waiver of the corresponding Declaration Event of Default.

Any required approval or direction of holders of Preferred Securities may be given at a separate meeting of holders of Preferred Securities convened for such purpose, at a meeting of all of the holders of the Trust Securities or pursuant to written consent. The Regular Trustees will cause a notice of any meeting at which holders of Preferred Securities are entitled to vote, or of any matter upon which action by written consent of such holders is to be taken, to be mailed to each holder of record of Preferred Securities. Each such notice will include a statement setting forth (i) the date of such meeting or the date by which such action is to be taken, (ii) a description of any resolution proposed for adoption at such meeting on which such holders are entitled to vote or of such matter upon which written consent is sought and (iii) instructions for the delivery of proxies or consents. No vote or consent of the holder of Preferred Securities will be required for the Trust to redeem and cancel Preferred Securities or distribute Subordinated Debentures in accordance with the Declaration.

Notwithstanding that holders of Preferred Securities are entitled to vote or consent under any of the circumstances described above, neither KCPL nor any entity directly or indirectly controlling or controlled by, or under direct or indirect common control with, KCPL, will be entitled to vote or consent with respect to any Preferred Securities which at such time are owned by KCPL or any such entity, and such Preferred Securities will, for purposes of such vote or consent, be treated as if they were not outstanding.

The procedures by which holders of Preferred Securities may exercise their voting rights are described below. See "-- Book-entry only Issuance -- The Depository Trust Company."

Holders of the Preferred Securities will have no rights to appoint or remove the Trustees, who may be appointed, removed or replaced solely by KCPL, as the direct or indirect holder of all the Common Securities.

MODIFICATION OF THE DECLARATION

The Declaration may be amended or modified if approved and executed by a majority of the Regular Trustees, provided that if any proposed amendment provides for, or the Regular Trustees otherwise propose to effect, (i) any action that would adversely affect the powers, preferences or special rights of the Trust Securities, whether by way of amendment to the Declaration or otherwise or (ii) the dissolution, winding up or termination of the Trust other than pursuant to the terms of the Declaration, then the holders of the Trust Securities as a single class will be entitled to vote on such amendment or proposal and such amendment or proposal will not be effective except with the approval of the holders of at least 66-2/3 per cent in liquidation amount of the Trust Securities affected thereby, provided that if any amendment or proposal referred to in clause (i) above would adversely affect only the Preferred Securities or the Common Securities, then only the affected class will be entitled to vote on such amendment or proposal and such amendment or proposal will not be effective except with the approval of the holders of 66-2/3 per cent in liquidation amount of such class of Trust Securities.

Notwithstanding the foregoing, no amendment or modification may be made to the Declaration if such amendment or modification would (i) cause the Trust to be classified as other than a grantor trust, for purposes of United States federal income tax purposes, (ii) reduce or otherwise adversely affect the powers of the Property Trustee or (iii) cause the Trust to be deemed to be an "investment company" which is required to be registered under the Investment Company Act of 1940, as amended (the "1940 Act").

MERGERS, CONSOLIDATIONS OR AMALGAMATIONS

The Trust may not consolidate, amalgamate, merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to any corporation or other body, except as described below. The Trust may, with the consent of a majority of the Regular Trustees and without the consent of the holders of the Trust Securities, the Delaware Trustee or the Property Trustee, consolidate, amalgamate, merge with or into, or be replaced by a trust organized as such under the laws of any State; provided, that (i) such successor entity either (x) expressly assumes all of the obligations of the Trust with respect to the Trust Securities or (y) substitutes for the Trust Securities other securities having substantially the same terms as the Trust Securities (the "Successor Securities") so long as the Successor Securities rank the same as the Trust Securities in priority with respect to distributions and payments upon liquidation, redemption, maturity and otherwise, (ii) KCPL expressly acknowledges a trustee of such successor entity which possesses the same powers and duties as the Property Trustee as the holder of the Subordinated Debentures, (iii) the Preferred Securities or any Successor Securities are listed, or any Successor Securities will be listed upon notification of issuance, or any national securities exchange or other organization on which the Preferred Securities are then listed, (iv) such merger, consolidation, amalgamation or replacement does not cause the Preferred Securities (including any Successor Securities) to be downgraded by any nationally recognized statistical rating organization, (v) such merger, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the holders of the Trust Securities (including any Successor Securities) in any material respect (other than with respect to any dilution of the holders' interest in the new entity), (vi) such successor entity has a purpose identical to that of the Trust, (vii) prior to such merger, consolidation, amalgamation or replacement, KCPL has received an opinion from independent counsel to the Trust experienced in such matters to the effect that (A) such merger, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the holders of the Trust Securities (including any Successor Securities) in any material respect (other than with respect to any dilution of the holders' interest in the new entity), and (B) following such merger, consolidation, amalgamation or replacement, neither the Trust nor such successor entity will be required to register as an investment company under the 1940 Act and (viii) KCPL guarantees the obligations of such successor entity under the Successor Securities at least to the extent provided by the Preferred Securities Guarantee. Notwithstanding the foregoing, the Trust will not, except with the consent of the holders of 100% in liquidation amount of the Trust Securities, consolidate, amalgamate, merge with or into, or be replaced by any other entity or permit any other entity to consolidate, amalgamate, merge with or into, or replace it if such consolidation, amalgamation, merger or replacement would cause the Trust or the successor entity to be classified for United States federal income tax purposes as other than a grantor trust.

The Depository Trust Company ("DTC") will act as securities depository for the Preferred Securities. The Preferred Securities will be issued only as fully registered securities registered in the name of Cede & Co. (DTC's nominee). One or more fully registered global Preferred Securities certificates will be issued, representing in the aggregate the total number of Preferred Securities, and will be deposited with DTC ("Global Certificates").

The laws of some jurisdictions require that certain purchasers of securities take physical delivery of securities in definitive form. Such laws may impair the ability to transfer beneficial interests in a global Preferred Security.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "Clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations ("Direct Participants"). DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to DTC and its Participants are on file with the Commission.

Purchases of Preferred Securities within the DTC system must be made by or through Direct Participants, which will receive a credit for the Preferred Securities on DTC's records. The ownership interest of each actual purchaser of Preferred Securities ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases, but Beneficial Owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners purchased Preferred Securities. Transfers of ownership interests in the Preferred Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Preferred securities, except in the event that use of the book-entry system for the Preferred Securities is discontinued.

To facilitate subsequent transfers, all the Preferred Securities deposited by Participants with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of Preferred Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Preferred Securities. DTC's records reflect only the identity of the Direct Participants to whose accounts such Preferred Securities are credited, which may or may not be the Beneficial Owners. The

Participants will remain responsible for keeping account of their holdings on behalf of their customers.

So long as DTC, or its nominee, is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Preferred Securities represented thereby for all purposes under the Declaration and the Preferred Securities. No beneficial owner of an interest in a Global Certificate will be able to transfer that interest except in accordance with DTC's applicable procedures, in addition to those provided for under the Declaration.

DTC has advised KCPL that it will take any action permitted to be taken by a holder of Preferred Securities (including the presentation of Preferred Securities for exchange as described below) only at the direction of one or more Participants to whose account the DTC interests in the Global Certificates are credited and only in respect of such portion of the aggregate liquidation amount of Preferred Securities as to which such Participant or Participants has or have given such direction. However, if there is a Declaration Event of Default under the Preferred Securities, DTC will exchange the Global Certificates for certificated Preferred Securities, which it will distribute to its Participants.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to Cede & Co. If less than all of the Preferred Securities are being redeemed, DTC will reduce pro rata the amount of the interest of each Direct Participant in the Preferred Securities to be redeemed; provided that if, as a result of such pro rata redemption, Direct Participants would hold fractional interests in the Preferred Securities, DTC will adjust the amount of the interest of each Direct Participant to be redeemed to avoid such fractional interests.

Although voting with respect to the Preferred Securities is limited, in those cases where a vote is required neither DTC nor Cede & Co. will itself consent or vote with respect to Preferred Securities. Under its usual procedures, DTC would mail an Omnibus Proxy to the Trust as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Preferred Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Distribution payments on the Preferred Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the relevant payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payments on such payment date. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as in the case with securities held for the account of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trust, any trustee or KCPL, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions to DTC is the responsibility of the Trust, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Except as provided herein, a Beneficial Owner in a global Preferred Security will not be entitled to receive physical delivery of Preferred Securities. Accordingly, each Beneficial Owner must rely on the procedures of DTC to exercise any rights under the Preferred Securities.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Certificates among Participants of DTC, DTC is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither KCPL, the Trust nor any Trustee will have any responsibility for the performance by DTC or its Direct Participants or Indirect Participants under the rules and procedures governing DTC. DTC may discontinue providing its services as securities depository with respect to the Preferred Securities at any time by giving reasonable notice to the Trust. Under such circumstances, in the event that a successor securities depository is not obtained, Preferred Securities certificates are required to be printed and delivered. Additionally, the Regular Trustees (with the consent of KCPL) may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depository) with respect to the Preferred Securities. In that event, certificates for the Preferred Securities of such Trust will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that KCPL and the Trust believe to be reliable, but KCPL and the Trust assume no responsibility for the accuracy thereof.

INFORMATION CONCERNING THE PROPERTY TRUSTEE

The Property Trustee, prior to the occurrence of a default with respect to the Trust Securities and after the curing of all such defaults that may have occurred, undertakes to perform only such duties as are specifically set forth in the Declaration and, after default, shall exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provisions, the Property Trustee is under no obligation to exercise any of the powers vested in it by the Declaration at the request of any holder of Preferred Securities unless offered reasonable indemnity by such holder against the costs, expenses and liabilities which might be incurred thereby; but the foregoing shall not relieve the Property Trustee, upon the occurrence of a Declaration Event of Default, from exercising the rights and powers vested in it by the Declaration. The Property Trustee also serves as trustee under the Preferred Securities Guarantee. KCPL and its officers and directors have no material relationship with the Property Trustee except that (a) the Property Trustee is a dealer in commercial paper issued by KCPL, (b) the Property Trustee is trustee and remarketing agent for certain governmental revenue bonds which are payable with amounts paid by KCPL to the issuer of such bonds, and (c) KCPL and its principal subsidiary maintain lines of credit with the Property Trustee.

REGISTRAR AND TRANSFER AGENT

In the event that the Preferred Securities do not remain in book-entry only form, the Property Trustee will act as paying agent and may designate an additional or substitute paying agent at any time. Registration of transfers of Preferred Securities will be effected without charge by or on behalf of the Trust, but upon payment (with the giving of such indemnity as the Regular Trustees may require) in respect of any tax or other governmental charges which may be imposed in relation to it. The Trust will not be required to register or cause to be registered

the transfer of Preferred Securities after such Preferred Securities have been called for redemption.

GOVERNING LAW

The Declaration and the Preferred Securities will be governed by, and construed in accordance with, the internal laws of the State of Delaware.

MISCELLANEOUS

The Regular Trustees are authorized and directed to operate the Trust in such a way so that the Trust will not be deemed to be an "investment company" required to be registered under the 1940 Act or characterized for United States Federal income tax purposes as other than a grantor trust. KCPL is authorized and directed to conduct its affairs so that the Subordinated Debentures will be treated as indebtedness of KCPL for United States federal income tax purposes. In this connection, the Regular Trustees and KCPL are authorized to take any action, not inconsistent with applicable law, or the corporate charter of KCPL, that each of the Regular Trustees and KCPL determines in their discretion to be necessary or desirable for such purposes, as long as such action does not materially and adversely affect the interests of the holders of the Preferred Securities.

Holders of Preferred Securities will have no preemptive or similar rights.

DESCRIPTION OF THE PREFERRED SECURITIES GUARANTEE

Pursuant to the Preferred Securities Guarantee, KCPL will irrevocably and unconditionally agree, to the extent set forth therein, to pay in full to the holders of the Preferred Securities issued by the Trust, the Guarantee Payments (as defined in the accompanying Prospectus) except to the extent paid by the Trust, as and when due, regardless of any defense, right of setoff or counterclaim which the Trust may have or assert. KCPL's obligation to make a Guarantee Payment may be satisfied by direct payment of the required amounts by KCPL to the holders of Preferred Securities or by causing the Trust to pay such amounts to such holders. The Preferred Securities Guarantee will be qualified as an indenture under the Trust Indenture Act. The First National Bank of Chicago will act as Guarantee Trustee. The terms of the Preferred Securities Guarantee will be those set forth in such Guarantee and those made part of such Preferred Securities Guarantee by the Trust Indenture Act. The Preferred Securities Guarantee will be held by the Guarantee Trustee for the benefit of the holders of the Preferred Securities. A summary description of the Preferred Securities Guarantee appears in the accompanying Prospectus under the caption "Description of the Preferred Securities Guarantees."

DESCRIPTION OF THE SUBORDINATED DEBENTURES

Set forth below is a description of the specific terms of the Subordinated Debentures in which the Trust will invest the proceeds from the issuance and sale of the Trust Securities. This description supplements the description of the general terms and provisions of the Subordinated Debentures set forth in the accompanying Prospectus under the caption "Description of the

Subordinated Debentures". The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the description in the accompanying Prospectus and the Indenture, dated as of _____, between KCPL and The First National Bank of Chicago, as Trustee (the "Debt Trustee"), as supplemented by a Supplemental Indenture dated as of _____ (said Indenture, as so supplemented, is hereinafter referred to as the "Indenture"), the forms of which are filed as Exhibits to the Registration Statement of which this Prospectus Supplement and the accompanying Prospectus form a part. Certain capitalized terms used herein are defined in the Indenture.

KCPL will have the right at any time to liquidate the Trust and cause the Subordinated Debentures to be distributed to the holders of the Trust Securities. If the Subordinated Debentures are distributed to the holders of the Preferred Securities, KCPL will use its best efforts to have the Subordinated Debentures listed on the New York Stock Exchange or on such other national securities exchange or similar organization on which the Preferred Securities are then listed or quoted.

GENERAL

The Subordinated Debentures will be issued as unsecured indebtedness of KCPL under the Indenture. The Subordinated Debentures will be limited in aggregate principal amount to approximately \$ _____, such amount being the sum of the aggregate stated liquidation amount of the Trust Securities.

The Subordinated Debentures are not subject to a sinking fund provision. The entire principal amount of the Subordinated Debentures will mature and become due and payable, together with any accrued and unpaid interest thereon including Compound Interest (as defined herein) and Additional Interest (as defined herein), if any, on _____, subject to the right of KCPL to shorten the maturity date to a date no earlier than _____.

If Subordinated Debentures are distributed to holders of Preferred Securities in liquidation of such holders' interests in the Trust, such Subordinated Debentures will initially be issued as a Global Security (as defined herein). As described herein, Subordinated Debentures may be issued in certificated form in exchange for a Global Security. See "Book-Entry and Settlement" and "The Depository" below. In the event that Subordinated Debentures are issued in certificated form, such Subordinated Debentures will be in denominations of \$25 and integral multiples thereof and may be transferred or exchanged at the offices described below. Payments on Subordinated Debentures issued as a Global Security will be made to DTC, a successor depository or, in the event that no depository is used, to a Paying Agent for the Subordinated Debentures. In the event Subordinated Debentures are issued in certificated form, principal and interest will be payable, the transfer of the Subordinated Debentures will be registrable and Subordinated Debentures will be exchangeable for Subordinated Debentures of other denominations of a like aggregate principal amount, at the corporate trust office of the Debt Trustee in New York, New York; provided, that payment of interest may be made at the option of KCPL by check mailed to the address of the holder entitled thereto or by wire transfer to an account appropriately designated by the holder entitled thereto. Notwithstanding the foregoing, so long as the holder of any Subordinated Debentures is the Property Trustee, the payment of principal and interest on the Subordinated Debentures held by the Property Trustee will be made at such place and to such account as may be designated by the Property Trustee.

The Indenture does not contain provisions that afford holders of the Subordinated Debentures protection in the event of a highly leveraged transaction or other similar transaction involving KCPL that may adversely affect such holders.

SUBORDINATION

The Indenture provides that the Subordinated Debentures are subordinated and junior in right of payment to all Senior Indebtedness of KCPL, whether now existing or hereafter incurred. Senior Indebtedness may include Indebtedness of KCPL which is subordinated to other Indebtedness of KCPL but nevertheless senior to the Subordinated Debentures. No payment of principal of (including redemption payments, if any), premium, if any, or interest on, the Subordinated Debentures may be made if (a) there is a default in the payments of principal, premium, interest or any other payment due on any Senior Indebtedness, or (b) the maturity of any Senior Indebtedness has been accelerated because of a default. Upon any distribution of assets of KCPL to creditors upon any dissolution, winding-up, liquidation or reorganization, whether voluntary or involuntary, or in bankruptcy, insolvency, receivership or other proceedings, all principal of, premium, if any, and interest due or to become due on, all Senior Indebtedness must be paid in full before the holders of the Subordinated Debentures are entitled to receive or retain any payment. The rights of the holders of the Subordinated Debentures will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions applicable to such Senior Indebtedness until all amounts owing on the Subordinated Debentures are paid in full.

The term "Senior Indebtedness" means (i) any payment in respect of (a) indebtedness of KCPL for money borrowed and (b) indebtedness evidenced by securities, debentures, bonds, notes or other similar instruments issued by KCPL including, without limitation, indebtedness evidenced by securities issued pursuant to its General Mortgage Indenture and Deed of Trust dated as of December 1, 1986, between KCPL and UMB Bank, N.A., as supplemented, and pursuant to other indentures with various trustees (other than the Indenture); (ii) all capital lease obligations of KCPL; (iii) all obligations of KCPL issued or assumed as the deferred purchase price of property, all conditional sale obligations of KCPL and all of its obligations under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business); (iv) all obligations of KCPL for the reimbursement on any letter of credit, banker's acceptance, security purchase facility or similar credit transaction; (v) all obligations of the type referred to in clauses (i) through (iv) above of other Persons for the payment of which KCPL is responsible or liable as obligor, guarantor or otherwise; and (vi) all obligations of the type referred to in clauses (i) through (v) above of other Persons secured by any lien on any property or asset of KCPL (whether or not such obligation is assumed by KCPL), except for (1) any such indebtedness that is by its terms subordinated to or PARI PASSU with the Subordinated Debentures, as the case may be, including all other debt securities and guarantees in respect of those debt securities, issued to any other trusts, partnerships or other entity affiliated with KCPL which is a financing vehicle of KCPL in connection with the issuance of preferred securities by such entity or other securities which rank PARI PASSU with, or junior to, the Preferred Securities, and (2) any indebtedness between or among KCPL and its affiliates. Such Senior Indebtedness will continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

The Indenture does not limit the aggregate amount of Senior Indebtedness which may be issued by KCPL. As of September 30, 1996, Senior Indebtedness of KCPL aggregated approximately \$_____ million.

OPTIONAL REDEMPTION

KCPL will have the right to redeem the Subordinated Debentures, in whole or in part, from time to time, on or after _____, _____, or at any time in certain circumstances upon the occurrence of a Tax Event as described under "Description of the Preferred Securities -- Tax Event Redemption" herein, upon not less than 30 nor more than 60 days' notice, at a Redemption Price equal to 100% of the principal amount to be redeemed plus any accrued and unpaid interest, including Additional Interest, if any, to the redemption date. If a partial redemption of the Preferred Securities resulting from a partial redemption of the Subordinated Debentures would result in the delisting of the Preferred Securities, KCPL may only redeem the Subordinated Debentures in whole.

OPTION TO CHANGE MATURITY DATE

KCPL will have the right at any time to shorten the maturity of the Subordinated Debentures to a date not earlier than _____, _____.

INTEREST

Each Subordinated Debenture will bear interest at the rate of ___% per annum from the original date of issuance, payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year (each, an "Interest Payment Date"), commencing _____, _____, to the person in whose name such Subordinated Debenture is registered, subject to certain exceptions, at the close of business on the Business Day next preceding such Interest Payment Date. If the Subordinated Debentures do not continue to remain in book-entry only form, KCPL will have the right to select record dates which may not be less than fifteen days prior to each Interest Payment Date.

The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months. The amount of interest payable for any period shorter than a full quarterly period will be computed on the basis of the actual number of days elapsed in such 90-day quarter. In the event that any date on which interest is payable on the Subordinated Debentures is not a Business Day, then payment of the interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), except that, if such Business Day is in the next succeeding calendar year, such payment will be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

OPTION TO EXTEND INTEREST PAYMENT PERIOD

KCPL will have the right at any time, and from time to time, during the term of the Subordinated Debentures, to defer payments of interest by extending the interest payment period for a period not exceeding 20 consecutive quarters, at the end of which Extension Period, KCPL will pay all interest then accrued and unpaid (including any Additional Interest, together with the interest thereon compounded quarterly at the rate specified for the Subordinated Debentures

to the extent permitted by applicable law); provided, that, during any such Extension Period, (a) KCPL may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged), (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures to which such Extension Period applies and (c) KCPL may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantee). This covenant effectively requires that any Extension Period with respect to payment of interest on any series of Subordinated Debentures will also apply to each other series of subordinated debentures issued under the Indenture to other trusts similar to the Trust. Prior to the termination of any such Extension Period, KCPL may further defer payments of interest by extending the interest payment period, provided that such Extension Period together with all such previous and further extensions thereof may not exceed 20 consecutive quarters or extend beyond the maturity of the Subordinated Debentures. Upon the termination of any Extension Period and the payment of all amounts then due, KCPL may select a new Extension Period, as if no Extension Period had previously been declared, subject to the above requirements. No interest during an Extension Period, except at the end thereof, will be due and payable, KCPL has no present intention of exercising its rights to defer payments of interest by extending the interest payment period on the Subordinated Debentures. If the Property Trustee is the sole holder of the Subordinated Debentures, KCPL will give the Regular Trustees and the Property Trustee notice of its selection of such Extension Period one Business Day prior to the earlier of (i) the next succeeding date on which distributions on the Preferred Securities are payable or (ii) the date the Trust is required to give notice to the New York Stock Exchange or other applicable self-regulatory organization or to holders of the Preferred Securities on the record date or the date such distribution is payable, but in any event not less than one Business Day prior to such record date. The Regular Trustees will give notice of KCPL's selection of such Extension Period to the holders of the Preferred Securities. If the Property Trustee is not the sole holder of the Subordinated Debentures, KCPL will give the holders of the Subordinated Debentures notice of its selection of such Extension Period ten Business Days prior to the earlier of (i) the next Interest Payment Date or (ii) the date KCPL is required to give notice to the New York Stock Exchange or other applicable self-regulatory organization or to holders of the Subordinated Debentures affected thereby on the record or payment date of such related interest payment, but in any event at least two Business Days before such record date.

ADDITIONAL INTEREST

If at any time the Trust is required to pay any taxes, duties, assessments or governmental charges of whatever nature (other than withholding taxes) imposed by the United States, or any other taxing authority, then, in any such case, KCPL will pay as additional interest ("Additional Interest") such additional amounts as shall be required so that the net amounts received and retained by the Trust after paying any such taxes, duties, assessments or other governmental

charges will be equal to the amounts the Trust would have received had no such taxes, duties, assessments or other governmental charges been imposed.

POSSIBLE TAX LAW CHANGES

On March 19, 1996, the Revenue Reconciliation Bill of 1996 (the "Bill"), the revenue portion of President Clinton's budget proposal, was released. The Bill would, among other things, generally deny interest deductions for United States federal income tax purposes for interest on an instrument, issued by a corporation, that has a maximum weighted average maturity of more than 40 years. The Bill would also generally deny interest deductions for interest on an instrument, issued by a corporation, that has a maximum term of more than 20 years and that is not shown as indebtedness on the separate balance sheet of the issuer, or where the instrument is issued with a related instrument that is not shown as indebtedness on the issuer's consolidated balance sheet. The above-described provisions of the Bill were proposed to be effective generally for instruments issued on or after December 7, 1995. If either provision were to apply to the Subordinated Debentures, KCPL would be unable to deduct interest on the Subordinated Debentures for United States federal income tax purposes. However, on March 29, 1996, the Chairmen of the Senate Finance and House Ways and Means Committees issued a joint statement to the effect that it was their intention that the effective date of the President's legislative proposals, if adopted, will be no earlier than the date of appropriate Congressional action. KCPL believes, that, under current law, it will be able to deduct interest on the Subordinated Debentures. There can be no assurance, however, that current or future legislative proposals or final legislation will not be enacted which may affect the ability of KCPL to deduct interest on the Subordinated Debentures. Such a change could give rise to a Tax Event, which may permit KCPL to cause a redemption of the Preferred Securities. See "Description of the Preferred Securities -- Tax Event Redemption or Distribution" in the accompanying Prospectus. Such a tax law change would not alter the United States federal income tax consequences of the purchase, ownership and disposition of Preferred Securities to holders thereof.

INDENTURE EVENTS OF DEFAULT

If any Indenture Event of Default has occurred and is continuing, the Property Trustee, as the holder of the Subordinated Debentures, will have the right to declare the principal of and the interest on the Subordinated Debentures (including any Compound Interest and Additional Interest, if any) and any other amounts payable under the Indenture to be forthwith due and payable and to enforce its other rights as a creditor with respect to the Subordinated Debentures. See "Description of Subordinated Debentures -- Indenture Events of Default" in the accompanying Prospectus for a description of Indenture Events of Default. An Indenture Event of Default also constitutes a Declaration Event of Default. The holders of Preferred Securities in certain circumstances have the right to direct the Property Trustee to exercise its rights as a holder of Subordinated Debentures. See "Description of the Preferred Securities -- Declaration Events of Default" and "Voting Rights." Notwithstanding the foregoing, if an Indenture Event of Default has occurred and is continuing and is attributable to the failure of KCPL to pay interest or principal on the Subordinated Debentures on the date such interest or principal is otherwise payable, KCPL acknowledges that a holder of Preferred Securities may then institute a Direct Action for payment on or after the respective due date specified in the Subordinated Debentures. Notwithstanding any payments made to such holder of Preferred Securities by KCPL in connection with a Direct Action, KCPL will remain obligated to pay the principal of or interest on the Subordinated Debentures held by the Trust or the Property Trustee, and KCPL

will be subrogated to the rights of the holder of such Preferred Securities with respect to payments on the Preferred Securities to the extent of any payments made by KCPL to such holder in any Direct Action. The holders of Preferred Securities will not be able to exercise directly any other remedy available to the holders of Subordinated Debentures.

BOOK-ENTRY AND SETTLEMENT

If distributed to holders of Preferred Securities in connection with the involuntary or voluntary dissolution, winding-up or liquidation of the Trust, the Subordinated Debentures will be issued in the form of one or more global certificates (each a "Global Security") registered in the name of the depositary or its nominee. Except under the limited circumstances described below, Subordinated Debentures represented by the Global Security will not be exchangeable for, and will not otherwise be issuable as, Subordinated Debentures in definitive form. The Global Securities described above may not be transferred except by the depositary to a nominee of the depositary or by a nominee of the depositary to the depositary or another nominee of the depositary or to a successor depositary or its nominee.

The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. Such laws may impair the ability to transfer beneficial interests in such a Global Security.

Except as provided below, owners of beneficial interests in such a Global Security will not be entitled to receive physical delivery of Subordinated Debentures in definitive form and will not be considered the holders (as defined in the Indenture) thereof for any purpose under the Indenture, and no Global Security representing Subordinated Debentures will be exchangeable, except for another Global Security of like denomination and tenor to be registered in the name of the Depositary or its nominee or to a successor Depositary or its nominee. Accordingly, each beneficial owner must rely on the procedures of the Depositary or, if such person is not a Participant on the procedures of the Participant through which such person owns its interest, to exercise any rights of a holder of Subordinated Debentures under the Indenture.

THE DEPOSITARY

If Subordinated Debentures are distributed to holders of Preferred Securities in liquidation of such holders' interests in the Trust, DTC will act as securities depositary for the Subordinated Debentures. For a description of DTC and the specific terms of the depositary arrangements, see "Description of the Preferred Securities -- Book-Entry Only Issuance - the Depositary Trust Company" As of the date of this Prospectus Supplement, the description therein of DTC's book-entry system and DTC's practices as they relate to purchases, transfers, notices and payments with respect to the Preferred Securities apply in all material respects to any Subordinated Debentures represented by one or more Global Securities. KCPL may appoint a successor to DTC or any successor depositary in the event DTC or such successor depositary is unable or unwilling to continue as a depositary for the Global Securities.

None of KCPL, the Trust, the Property Trustee, any paying agent or any other agent of KCPL or the Debt Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security for Subordinated Debentures or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A Global Security will be exchangeable for Subordinated Debentures registered in the names of persons other than the Depositary or its nominee only if (i) the Depositary notifies KCPL that it is unwilling or unable to continue as a depositary for such Global Security and no successor depositary shall have been appointed, (ii) the Depositary, at any time, ceases to be a clearing agency registered under the Exchange Act at which time the Depositary is required to be so registered to act as such depositary and no successor depositary shall have been appointed, (iii) KCPL, in its sole discretion, determines that such Global Security will be so exchangeable or (iv) there has occurred an Indenture Event of Default with respect to such Subordinated Debentures. Any Global Security that is exchangeable pursuant to the preceding sentence will be exchangeable for Subordinated Debentures registered in such names as the Depositary shall direct. It is expected that such instructions will be based upon directions received by the Depositary from its Participants with respect to ownership of beneficial interests in such Global Security.

If the Subordinated Debentures are not represented by one or more Global Securities, certificates evidencing the Subordinated Debentures may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed) or exchange, at the office of the Debenture Registrar or at the office of any transfer agent designated by KCPL for such purpose with respect to the Subordinated Debentures, without service charge and upon payment of any taxes and other governmental charges as described in the Indenture. Such transfer or exchange will be effected upon the Debenture Registrar or such transfer agent, as the case may be, being satisfied with the documents of title and identity of the person making the request. KCPL has appointed the Debt Trustee as Debenture Registrar with respect to the Subordinated Debentures. KCPL may at any time rescind the designation of any such transfer agent or approve a change in the location through which any such transfer agent acts, except that KCPL will be required to maintain a transfer agent at the place of payment. KCPL may at any time designate additional transfer agents with respect to the Subordinated Debentures.

In the event of any redemption of only a part of the Subordinated Debentures, KCPL will not be required to (i) issue, exchange or register the transfer of Subordinated Debentures during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of less than all of the Subordinated Debentures and ending at the close of business on the date of such mailing and (ii) register the transfer of or exchange any Subordinated Debentures so selected for redemption, in whole or in part, except the unredeemed portion of any Subordinated Debentures being redeemed in part.

GOVERNING LAW

The Indenture and the Subordinated Debentures will be governed by, and construed in accordance with, the internal laws of the State of New York.

MISCELLANEOUS

The Indenture will provide that KCPL will pay all fees and expenses related to (i) the offering of the Trust Securities and the Subordinated Debentures, (ii) the organization, maintenance and dissolution of the Trust, (iii) the retention of the Trustees and (iv) the enforcement by the Property Trustee of the rights of the holders of the Preferred Securities. The payment of such fees and expenses will be fully and unconditionally guaranteed by KCPL.

KCPL will have the right at all times to assign any of its respective rights or obligations under the Indenture to a direct or indirectly wholly-owned subsidiary of KCPL; provided that, in the event of any such assignment, KCPL will remain liable for all of such obligations. Subject to the foregoing, the Indenture will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. The Indenture provides that it may not otherwise be assigned by the parties thereto.

EFFECT OF OBLIGATIONS UNDER THE SUBORDINATED DEBENTURES
AND THE PREFERRED SECURITIES GUARANTEE

As set forth in the Declaration, the sole purposes of the Trust are to (i) issue Trust Securities, (ii) invest the proceeds thereof in the Subordinated Debentures and (iii) engage in only those other activities necessary or incidental thereto.

As long as payments of interest and other payments are made when due on the Subordinated Debentures, such payments will be sufficient to cover distributions and payments due on the Trust Securities primarily because (i) the aggregate principal amount of Subordinated Debentures will be equal to the sum of the aggregate stated liquidation amount of the Trust Securities; (ii) the interest rate and interest and other payment dates on the Subordinated Debentures will match the distribution rate and distribution and other payment dates for the Preferred Securities; (iii) KCPL will pay for all costs and expenses of the Trust; and (iv) the Declaration provides that the Trustees may not cause or permit the Trust to, among other things, engage in any activity that is not consistent with the purposes of the Trust.

Payments of distributions (to the extent funds therefor are available) and other payments due on the Preferred Securities (to the extent funds therefor are available) are guaranteed by KCPL as and to the extent set forth under "Description of the Preferred Securities Guarantee" in the accompanying Prospectus. If KCPL does not make interest payments on the Subordinated Debentures purchased by the Trust, it is expected that the Trust will not have sufficient funds to pay distributions on the Preferred Securities. The Preferred Securities Guarantee is a full and unconditional guarantee from the time of its issuance, but does not apply to any payment of distributions unless and until the Trust has sufficient funds for the payment of such distributions.

If KCPL fails to make interest or other payments on the Subordinated Debentures when due (taking into account any Extension Period), the Declaration provides a mechanism whereby the holders of the Preferred Securities, using the procedures described in "Description of the Preferred Securities -- Voting Rights" in this Prospectus Supplement, may direct the Property Trustee to enforce its rights under the Subordinated Debentures, including proceeding directly against KCPL to enforce the Subordinated Debentures. If the Property Trustee fails to enforce its rights under the Subordinated Debentures, a holder of Preferred Securities may, after a period of 30 days has elapsed from such holder's written request to the Property Trustee to enforce such rights, institute a legal proceeding directly against KCPL to enforce the Property Trustee's rights under the Subordinated Debentures without first instituting any legal proceeding against the Property Trustee or any other person or entity, including the Trust.

If KCPL fails to make payments under the Preferred Securities Guarantee, the Preferred Securities Guarantee provides a mechanism whereby the holders of the Preferred Securities may direct the Guarantee Trustee to enforce its rights thereunder. If the Guarantee Trustee fails to

enforce the Preferred Securities Guarantee, any holder of Preferred Securities affected thereby may institute a legal proceeding directly against KCPL to enforce the Guarantee Trustee's rights under the Preferred Securities Guarantee, without first instituting a legal proceeding against the Trust, the Guarantee Trustee or any other person or entity.

The above mechanisms and obligations, taken together, are equivalent to a full and unconditional guarantee by KCPL of payments due on the Preferred Securities. See "Description of the Preferred Securities Guarantees -- General" in the accompanying Prospectus.

UNITED STATES FEDERAL INCOME TAXATION

The following is a summary of certain of the material United States federal income tax consequences of the purchase, ownership and disposition of Preferred Securities. Unless otherwise stated, this summary deals only with Preferred Securities held as capital assets by holders that purchase the Preferred Securities upon original issuance. This summary does not address all the tax consequences that may be relevant to holders that may be subject to special tax treatment such as, for example, banks, real estate investment trusts, regulated investment companies, insurance companies, dealers in securities or currencies, tax-exempt investors, persons whose functional currency is other than the United States dollar, persons who hold Preferred Securities as part of a straddle, hedging or conversion transaction or, except as specifically described herein, foreign taxpayers. In addition, this summary does not address any aspects of state, local, or foreign laws. This summary is based on the Internal Revenue Code of 1986, as amended, Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof, as of the date hereof, all of which are subject to change, possibly on a retroactive basis. Each holder should consult its tax advisor as to its particular tax consequences of acquiring, holding, and disposing of the Preferred Securities, including the tax consequences under state, local, and foreign laws.

CLASSIFICATION OF THE SUBORDINATED DEBENTURES

It is a condition to the issuance of the Preferred Securities that Sidley & Austin render its opinion generally to the effect that, under then current United States federal income tax law and assuming full compliance with the terms of the Indenture (and certain other documents), and based on certain facts and assumptions contained in such opinion, the Subordinated Debentures held by the Trust will be classified for United States federal income tax purposes as indebtedness of KCPL. Accordingly, corporate holders of Preferred Securities will not be entitled to a dividends-received deduction with respect to any income recognized with respect to the Preferred Securities.

CLASSIFICATION OF THE TRUST

It is a condition to the issuance of the Preferred Securities that Sidley & Austin render its opinion generally to the effect that, under then current United States federal income tax law and assuming full compliance with the terms of the Declaration and the Indenture (and certain other documents), and based on certain facts and assumptions contained in such opinion, the Trust will be classified for United States federal income tax purposes as a grantor trust and not as an association taxable as a corporation. Accordingly, for United States federal income tax purposes, each holder of Preferred Securities will generally be considered the owner of an undivided interest in the Subordinated Debentures, and each holder will be required to include

in its gross income any interest or original issue discount ("OID") accrued with respect to its allocable share of those Subordinated Debentures. Investors should be aware that the foregoing opinions of Sidley & Austin have not been confirmed by the Internal Revenue Service (the "Service"), by private ruling or otherwise, and are not binding on the Service or the courts.

KCPL, the Trust, and, by its acceptance of a Preferred Security or a beneficial interest therein, the holder of, and any person that acquires a beneficial interest in, such Preferred Security agree to treat such Preferred Security and the Subordinated Debentures consistently with the foregoing opinions.

INTEREST INCOME AND ORIGINAL ISSUE DISCOUNT

Unless the Subordinated Debentures are issued with OID, stated interest on the Subordinated Debentures will be taxable to a holder as ordinary income at the time such interest is paid (if the holder uses the cash method of accounting for tax purposes) or accrued (if the holder uses the accrual method of accounting for tax purposes). Under regulations of the U.S. Treasury Department, the Subordinated Debentures will not be considered issued with OID if the likelihood of KCPL exercising its right to defer interest (as described under "Description of the Subordinated Debentures--Option to Extend Interest Payment Period") is considered a "remote" contingency at the time the Subordinated Debentures are issued. KCPL believes that such likelihood is remote, because exercise of its right to defer interest would prevent KCPL from declaring dividends on its capital stock. Accordingly, KCPL intends to take the position that the Subordinated Debentures will not be issued with OID. However, the definition of the term "remote" in the regulations has not yet been addressed in any rulings or other interpretations by the Service, and it is possible that the Service would assert that the Subordinated Debentures were issued with OID. Assuming the Subordinated Debentures continue to remain in book-entry only form, a determination that the Subordinated Debentures were issued with OID would not result in substantially different United States federal income tax consequences to accrual method taxpayers or to cash-method taxpayers whose taxable year is the calendar year. Holders not described in the preceding sentence, if any, would recognize the acceleration of up to three months' interest income.

If, notwithstanding KCPL's current belief, it does exercise its right to defer interest payments, the Subordinated Debentures would be treated as if they were retired and then reissued with OID at such time. In such case, the amount of OID would generally be equal to the interest payable thereafter.

If the Subordinated Debentures are treated as having been issued or reissued with OID (either because KCPL exercises its right to defer interest payments or because the likelihood of exercise of such right is not considered a remote contingency at the time of issuance), holders would include that interest in income on an economic accrual basis, regardless of their method of tax accounting. The amount of OID that accrued in any quarter would approximately equal the amount of interest that accrued on the Subordinated Debentures in that quarter at the stated interest rate. If interest payments were received later than the taxable year in which the interest accrued, OID treatment would have the effect of accelerating the reporting of income for holders who otherwise use a cash method of tax reporting.

MARKET DISCOUNT AND PREMIUM

Holders of Preferred Securities other than holders that purchased the Preferred Securities upon original issuance may be considered to have acquired their undivided interest in the Subordinated Debentures with market discount, amortizable bond premium or acquisition premium as such terms are defined for United States federal income tax purposes. Such holders are advised to consult their tax advisors as to the income tax consequences of the acquisition, ownership and disposition of the Preferred Securities.

RECEIPT OF SUBORDINATED DEBENTURES OR CASH UPON LIQUIDATION OF THE TRUST

Under certain circumstances, as described under the caption "Description of the Preferred Securities -- Dissolution; Distribution of Subordinated Debentures," Subordinated Debentures may be distributed to holders in exchange for Preferred Securities and in liquidation of the Trust. Under current United States federal income tax law, such a redemption would be treated as a non-taxable event to each holder, and each holder would have an aggregate tax basis in the Subordinated Debentures equal to such holder's aggregate tax basis in its Preferred Securities. A holder's holding period in the Subordinated Debentures so received in liquidation of the Trust would include the period during which the Preferred Securities were held by such holder.

Under certain circumstances, as described under the captions "Description of the Preferred Securities--Redemption," "Description of the Preferred Securities--Tax Event Redemption," and "Description of the Subordinated Debentures--Optional Redemption," the Subordinated Debentures may be redeemed for cash and the proceeds of such redemption distributed to holders in redemption of their Preferred Securities. Under current United States federal income tax law, such a redemption would be a taxable event, and a holder would recognize gain or loss as if such holder sold such redeemed Preferred Securities for cash. See "Sales of Preferred Securities" below.

SALES OF PREFERRED SECURITIES

A holder that sells Preferred Securities will recognize gain or loss equal to the difference between such holder's adjusted tax basis in the Preferred Securities and the amount realized on the sale of such Preferred Securities (other than with respect to accrued and unpaid interest which has not yet been included in income, which will be treated as ordinary income). A holder's adjusted tax basis in the Preferred Securities will generally be the initial purchase price increased by OID (if any) previously includible in such holder's gross income to the date of disposition and decreased by payments received on the Preferred Securities. Such gain or loss will generally be a capital gain or loss and will generally be a long-term capital gain or loss if the Preferred Securities have been held for more than one year.

The Preferred Securities may trade at prices that do not accurately reflect the value of accrued but unpaid interest with respect to the underlying Subordinated Debentures. A holder who uses the accrual method of accounting for tax purposes (and a cash method holder if the Subordinated Debentures are deemed to have been issued with OID) and that disposes of Preferred Securities between record dates for payments of distributions thereon will be required to include accrued but unpaid interest on the Subordinated Debentures through the date of disposition in income as ordinary income, and to add such amount to such holder's adjusted tax basis in the pro rata share of the underlying Subordinated Debentures deemed disposed of. To

the extent that the selling price is less than the holder's adjusted tax basis (so determined) a holder will recognize a capital loss. Subject to certain limited exceptions, capital losses cannot be applied to offset ordinary income for United States federal income tax purposes.

UNITED STATES ALIEN HOLDERS

For purposes of this discussion, a "United States Alien Holder" is any corporation, individual, partnership, estate or trust that is, as to the United States, a foreign corporation, a nonresident alien individual, a foreign partnership, or a foreign estate or trust. This discussion assumes that income with respect to the Preferred Securities is not effectively connected with a trade or business in the United States in which the United States Alien Holder is engaged.

Under current United States federal income tax law, and subject to the discussion of backup withholding in the following section: (1) payments with respect to principal and interest (including any OID) by the Trust or any of its paying agents to any holder of a Preferred Security that is a United States Alien Holder will not be subject to withholding of United States federal income tax; provided that, in the case of interest, (a) the beneficial owner of the Preferred Security does not actually or constructively own 10% of more of the total combined voting power of all classes of stock of KCPL entitled to vote, (b) the beneficial owner of the Preferred Security is not a controlled foreign corporation that is related, directly or indirectly, to KCPL through stock ownership, and (c) either (A) the beneficial owner of the Preferred Security certifies to the Trust or its agent, under penalties of perjury, that it is a United States Alien Holder and provides its name and address or (B) a securities clearing organization, bank or other financial institution that holds customer securities in the ordinary course of its trade or business (a "Financial Institution"), and holds the Preferred Securities in such capacity, certifies to the Trust or its agent, under penalties of perjury, that such statement has been received from the beneficial owner by it or by a Financial Institution between it and the beneficial owner and furnishes the Trust or its agent with a copy thereof, and (2) a United States Alien Holder of a Preferred Security will generally not be subject to withholding of United States federal income tax on any gain realized upon the sale or other disposition of a Preferred Security.

On April 15, 1996, proposed Treasury Regulations (the "1996 Proposed Regulations") were issued which, if adopted in final form, could affect the United States taxation of United States Alien Holders. The 1996 Proposed Regulations are generally proposed to be effective for payments after December 31, 1997, regardless of the issue date of the instrument with respect to which such payments are made, subject to certain transition rules. It cannot be predicted at this time whether the 1996 Proposed Regulations will become effective as proposed or what, if any, modifications may be made to them. Prospective investors are urged to consult their tax advisors with respect to the effect the 1996 Proposed Regulations may have if adopted.

BACKUP WITHHOLDING TAX AND INFORMATION REPORTING

Under current United States federal income tax law, information reporting requirements apply to interest (including OID) and principal payments made to, and to the proceeds of sales before maturity by, certain non-corporate persons. In addition, a 31% backup withholding tax applies if a non-corporate person (i) fails to furnish such person's Taxpayer Identification Number ("TIN") (which, for an individual, would be his or her Social Security Number) to the payor in the manner required, (ii) furnishes an incorrect TIN and the payor is so notified by the Service, (iii) is notified by the Service that such person has failed properly to report payments

of interest and dividends or (iv) in certain circumstances, fails to certify, under penalties of perjury, that such person has not been notified by the Service that such person is subject to backup withholding for failure properly to report interest and dividend payments. Backup withholding does not apply with respect to payments made to certain exempt recipients, such as corporations and tax-exempt organizations.

In the case of a United States Alien Holder, backup withholding and information reporting do not apply to payments of principal and interest with respect to a Preferred Security with respect to which such Holder has provided the required certification under penalties of perjury that such Holder is a United States Alien Holder or has otherwise established an exemption, provided that certain conditions are satisfied.

In general, (i) principal or interest payments with respect to a Preferred Security collected outside the United States by a foreign office of a custodian, nominee or other agent acting on behalf of a beneficial owner of a Preferred Security and (ii) payments on the sale, exchange or retirement of a Preferred Security to or through a foreign office of a broker are not subject to backup withholding or information reporting. However, if such custodian, nominee, agent or broker is a United States person, a controlled foreign corporation for United States tax purposes, or a foreign person 50% of more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, such custodian, nominee, agent or broker may be subject to certain information reporting (but not backup withholding) requirements with respect to such payments.

Backup withholding tax is not an additional tax. Rather, any amounts withheld from a payment to a person under the backup withholding rules are allowed as a refund or a credit against such person's United States federal income tax, provided that the required information is furnished to the Service.

POSSIBLE TAX LAW CHANGES

On March 19, 1996, the Revenue Reconciliation Bill of 1996 (the "Bill"), the revenue portion of President Clinton's budget proposal, was released. The Bill would, among other things, generally deny interest deductions for United States federal income tax purposes for interest on an instrument, issued by a corporation, that has a maximum weighted average maturity of more than 40 years. The Bill would also generally deny interest deductions for interest on an instrument, issued by a corporation, that has a maximum term of more than 20 years and that is not shown as indebtedness on the separate balance sheet of the issuer, or where the instrument is issued with a related instrument that is not shown as indebtedness on the issuer's consolidated balance sheet. The above-described provisions of the Bill proposed were to be effective generally for instruments issued on or after December 7, 1995. If either provision were to apply to the Subordinated Debentures, KCPL would be unable to deduct interest on the Subordinated Debentures for United States federal income tax purposes. However, on March 29, 1996, the Chairmen of the Senate Finance and House Ways and Means Committees issued a joint statement to the effect that it was their intention that the effective date of the President's legislative proposals, if adopted, will be no earlier than the date of appropriate Congressional action. KCPL believes that, under current law, it will be able to deduct interest on the Subordinated Debentures. There can be no assurance, however, that current or future legislative proposals or final legislation will not be adopted which may affect the ability of KCPL to deduct interest on the Subordinated Debentures. Such a change could give rise to a Tax Event, which

may permit KCPL to cause a redemption of the Preferred Securities. See "Description of the Preferred Securities -- Tax Event Redemption." Such a tax law change would not alter the United States federal income tax consequences of the purchase, ownership and disposition of Preferred Securities to holders thereof.

THE FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE PREFERRED SECURITIES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

UNDERWRITING

Subject to the terms and conditions set forth in a purchase agreement (the "Purchase Agreement"), the Trust has agreed to sell to each of the Underwriters named below, and each of the Underwriters, for whom Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representative (the "Representative"), has severally agreed to purchase the number of Preferred Securities set forth opposite its name below. In the Purchase Agreement, the several Underwriters have agreed, subject to the terms and conditions set forth therein, to purchase all the Preferred Securities offered hereby if any of the Preferred Securities are purchased. In the event of default by an Underwriter, the Purchase Agreement provides that, in certain circumstances, the purchase commitments of the non-defaulting Underwriters may be increased or the Purchase Agreement may be terminated.

UNDERWRITERS	NUMBER OF PREFERRED SECURITIES
Merrill Lynch, Pierce, Fenner & Smith Incorporated	

The Underwriters propose to offer the Preferred Securities, in part, directly to the public at the initial public offering price set forth on the cover page of this Prospectus Supplement, and, in part, to certain securities dealers at such price less a concession of \$ per Preferred Security. The Underwriters may allow, and such dealers may reallow, a concession not in excess of \$ per Preferred Security to certain brokers and dealers. After the Preferred Securities are released for sale to the public, the offering price and other selling terms may from time to time be varied by the Representative.

In view of the fact that the proceeds of the sale of the Preferred Securities will ultimately be used to purchase the Subordinated Debentures of KCPL, the Purchase Agreement provides that KCPL will pay as compensation ("Underwriters' Compensation") to the Underwriters arranging the investment therein of such proceeds, an amount in immediately available funds of \$ per Preferred Security (or \$ in the aggregate) for the accounts of the several Underwriters; provided that, such compensation for sales of 10,000 or more Preferred Securities to any single purchaser will be \$ per Preferred Security. Therefore, to the extent of such sales, the actual amount of Underwriters' Compensation will be less than the aggregate amount specified in the preceding sentence.

During a period of 30 days from the date of this Prospectus Supplement, neither the Trust nor KCPL will, without the prior written consent of the Representative, directly or indirectly, sell, offer to sell, grant any option for sale of, or otherwise dispose of, any Preferred Securities, any security convertible into or exchangeable into or exercisable for Preferred Securities or

Subordinated Debentures or any debt securities substantially similar to the Subordinated Debentures or equity securities substantially similar to the Preferred Securities (except for the Subordinated Debentures and the Preferred Securities offered hereby).

Application has been made to list the Preferred Securities on the New York Stock Exchange. If so approved, trading of the Preferred Securities on the New York Stock Exchange is expected to commence within a 30-day period after the initial delivery of the Preferred Securities. The Representative has advised the Trust that it intends to make a market in the Preferred Securities prior to the commencement of trading on the New York Stock Exchange. The Representatives will have no obligation to make a market in the Preferred Securities, however, and may cease market making activities, if commenced, at any time.

Prior to this offering there has been no public market for the Preferred Securities. In order to meet one of the requirements for listing the Preferred Securities on the New York Stock Exchange, the Underwriters will undertake to sell lots of 100 or more Preferred Securities to a minimum of 400 beneficial holders.

The Trust and KCPL have agreed to indemnify the Underwriters against, or contribute to payments that the Underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933, as amended.

Certain of the Underwriters engage in transactions with, and, from time to time, have performed services for, KCPL and its subsidiaries in the ordinary course of business.

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sales of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

SUBJECT TO COMPLETION, DATED DECEMBER __, 1996

KCPL FINANCING I
KCPL FINANCING II
KCPL FINANCING III

PREFERRED SECURITIES
(LIQUIDATION PREFERENCE \$25 PER PREFERRED SECURITY)
GUARANTEED TO THE EXTENT SET FORTH HEREIN BY

KANSAS CITY POWER & LIGHT COMPANY

KCPL Financing I, KCPL Financing II, and KCPL Financing III, each a statutory business trust formed under the laws of the State of Delaware (each, a "Trust" and, collectively, the "Trusts") may severally offer, from time to time, their respective preferred securities (the "Preferred Securities") representing preferred undivided beneficial interests in the assets of each Trust. Kansas City Power & Light Company, a Missouri corporation ("KCPL"), will be the sole owner of the undivided common beneficial interests in such assets represented by common securities (the "Common Securities", together with the Preferred Securities herein referred to as the "Trust Securities") of each Trust. The payment of periodic cash distributions ("distributions") with respect to the Preferred Securities and payments on liquidation or redemption with respect to such Preferred Securities will be each guaranteed by KCPL in the case of each Trust (a "Preferred Guarantee"), in each case only out of funds held by such Trust. KCPL's obligations under the Preferred Security Guarantee will be subordinate and junior in right of payment to all other liabilities of KCPL and will rank PARI PASSU with the most senior preferred stock issued by KCPL. Concurrently with the issuance by a Trust of its Preferred Securities, such Trust will invest the proceeds thereof in KCPL's junior subordinated deferrable interest debentures (the "Subordinated Debentures") having terms corresponding to such Trust's Preferred Securities. The Subordinated Debentures will be unsecured and subordinated indebtedness of KCPL issued under an indenture dated as of _____, 199_ between the Company and The First National Bank of Chicago, as Trustee (such indenture, as the same may be supplemented or amended from time to time, herein referred to as the "Indenture"). The Subordinated Debentures held by each Trust will be its sole assets, and the payments of principal of and interest on such Subordinated Debentures will be its only revenues. The Subordinated Debentures purchased by a Trust may be subsequently distributed pro rata to holders of Preferred Securities and Common Securities in connection with the dissolution of such Trust. In addition, upon the occurrence of certain events, KCPL may redeem the Subordinated Debentures and cause the redemption of the Preferred Securities.

The Preferred Securities may be offered in amounts, at prices and on terms to be determined at the time of offering, provided, however, that the aggregate initial public offering price of all Preferred Securities issued pursuant to the Registration Statement of which this Prospectus forms a part will not exceed \$300,000,000. Certain specific terms of each Trust's Preferred Securities in respect of which this Prospectus is being delivered will be set forth in an accompanying Prospectus Supplement, including, where applicable and to the extent not set forth herein, the identity of the Trust, the specific title, the aggregate amount, the distribution rate (or the method for determining such rate), the stated liquidation amount, redemption provisions, other rights, the initial public offering price and any other special terms, as well as any planned listing on a securities exchange, of such Preferred Securities.

The Preferred Securities may be sold in a public offering to or through underwriters or dealers designated from time to time. See "Plan of Distribution." The names of any of the underwriters or dealers involved in the sale of the Preferred Securities in respect of which this Prospectus is being delivered, the number of Preferred Securities to be purchased by any such underwriters or dealers, any applicable commissions or discounts and the net proceeds to each Trust will be set forth in the applicable Prospectus Supplement.

Each Prospectus Supplement will also contain information concerning certain United States federal income tax considerations applicable to the Preferred Securities offered thereby.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is _____, 199_.

AVAILABLE INFORMATION

KCPL is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). KCPL and the Trusts have filed with the Commission a registration statement on Form S-3 (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act") with respect to the Preferred Securities offered hereby and certain related securities. This Prospectus does not contain all of the information set forth in the Registration Statement and reference is hereby made to the Registration Statement and the exhibits thereto for further information with respect to KCPL and the Preferred Securities offered hereby. Such reports, proxy statements, Registration Statement and exhibits and other information can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at its Northeast Regional Office located at 7 World Trade Center, Suite 1300, New York, New York 10048 and Midwest Regional Office located at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material can be obtained at prescribed rates from the Public Reference Section of the Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. KCPL is subject to the electronic filing requirements of the Commission. Accordingly, pursuant to the rules and regulations of the Commission, certain documents, including annual and quarterly reports and proxy statements, filed by KCPL with the Commission have been filed electronically. The Commission also maintains a World Wide Web site that contains reports, proxy and information statements and other information regarding registrants (including KCPL) that file electronically with the Commission at (<http://www.sec.gov>). Certain of KCPL's securities are listed on the New York Stock Exchange and such reports, proxy statements and other information may also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

No separate financial statements of the Trusts are included herein. KCPL considers that such financial statements would not be material to holders of the Preferred Securities because: (i) all of the Common Securities of the Trusts are owned by KCPL, a reporting company under the Exchange Act; (ii) the Trusts have no independent operations; but exist for the sole purpose of issuing the Trust Securities and holding the Subordinated Debentures as trust assets; and (iii) the obligations of the Trusts under the Preferred Securities, to the extent funds are available therefor, are fully and unconditionally guaranteed to the extent set forth herein by KCPL.

The Trusts are not currently subject to the information reporting requirements of the Exchange Act. The Trusts will become subject to such requirements upon the effectiveness of the Registration Statement, although they intend to seek and expect to receive exemptions therefrom.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Annual Report of KCPL on Form 10-K, as amended, for the year ended December 31, 1995, the Quarterly Reports of KCPL on Form 10-Q for the periods ended March 31, 1996, June 30, 1996 and September 30, 1996, and the Current Reports of KCPL on Form 8-K dated May 22, 1996, May 28, 1996, and September 19, 1996, are incorporated by reference into this Prospectus. All documents filed by KCPL pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the

offering of the Preferred Securities contemplated hereby shall be deemed to be incorporated by reference into this Prospectus and to be made a part hereof from the respective dates of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Registration Statement and this Prospectus to the extent that a statement contained herein, in the applicable Prospectus Supplement or in any subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Registration Statement or this Prospectus.

KCPL hereby undertakes to provide without charge to each person to whom a copy of this Prospectus has been delivered, including any beneficial owner, upon the written or oral request of any such person, a copy of any or all of the documents referred to above which have been or may be incorporated in this Prospectus by reference, other than certain exhibits to such documents. Requests should be directed to Corporate Secretary, Kansas City Power & Light Company, 1201 Walnut, Kansas City, Missouri 64106-2124 (Telephone: (816) 556-2053).

KANSAS CITY POWER & LIGHT COMPANY

Kansas City Power & Light Company, a Missouri corporation, is a medium-size electric utility, headquartered in downtown Kansas City, which generates and distributes electricity to over 430,000 customers in a 4,700-square mile area located in 23 counties in western Missouri and eastern Kansas. Customers include 380,000 residences, 50,000 commercial firms, and over 3,000 industries, municipalities and other electric utilities. About two-thirds of total kwh sales and revenue are from Missouri customers and the remainder from Kansas customers. The address of its principal executive office is 1201 Walnut, Kansas City, Missouri 64106-2124 (Telephone: (816) 556-2200).

THE TRUSTS

Each of the Trusts is a statutory business trust formed under Delaware law pursuant to the filing of a certificate of trust with the Delaware Secretary of State on December __, 1996. The business of each Trust is defined in a Declaration of Trust, executed by KCPL as sponsor (the "Sponsor"), and the Trustees (as defined herein). The Declaration of Trust of each Trust will be amended and restated in its entirety (as so amended and restated, the "Declaration") substantially in the form filed as an exhibit to the Registration Statement of which this Prospectus forms a part. The Declaration will be qualified as an indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). Upon issuance of the Preferred Securities, the purchasers thereof will own all of the Preferred Securities. KCPL will acquire all of the Common Securities in an aggregate liquidation amount equal to approximately 3% of the total capital of each Trust. Each Trust exists for the exclusive purposes of (i) issuing the Trust Securities representing undivided beneficial interests in the assets of the Trust, (ii) investing the gross proceeds of the Trust Securities in the Subordinated Debentures and (iii) engaging in only those other activities necessary or incidental thereto. Each Trust has a term of approximately 45 years, but may terminate earlier as provided in the applicable Declaration.

Each Trust's business and affairs will be conducted by the trustees (the "Trustees") appointed by KCPL, as holder of the Common Securities. The duties and obligations of the

Trustees will be governed by the Declaration. Pursuant to the Declaration, the number of Trustees will initially be four. Two of the Trustees (the "Regular Trustees") will be persons who are employees or officers of or affiliated with, KCPL. The third Trustee will be a corporation which maintains a principal place of business in the State of Delaware that will serve for the sole purpose of complying with certain Delaware laws (the "Delaware Trustee"). The fourth Trustee will be a financial institution unaffiliated with KCPL which will serve as property trustee under the Declaration and as indenture trustee for purposes of the Trust Indenture Act (the "Property Trustee"). First Chicago Delaware Inc. ("First Chicago Delaware") will act as the Delaware Trustee and The First National Bank of Chicago will act as the Property Trustee, in each case until removed or replaced by the holder of the Common Securities. The First National Bank of Chicago will also act as indenture trustee under the Preferred Securities Guarantee (the "Guarantee Trustee"). See "Description of the Preferred Securities Guarantee."

The Property Trustee will hold title to the Subordinated Debentures held by each Trust for the benefit of the holders of the Trust Securities issued by such Trust and will have the power to exercise all rights, powers and privileges under the Indenture (as defined herein) as the holder of such Subordinated Debentures. In addition, the Property Trustee will maintain exclusive control of a segregated non-interest bearing bank account for each Trust (the "Property Account") to hold all payments made in respect of the Subordinated Debentures held by such Trust for the benefit of the holders of the Trust Securities issued by such Trust. The Property Trustee will make payments of distributions and payments on liquidation, redemption and otherwise to the holders of the Trust Securities issued by each Trust out of funds from the Property Account of such Trust. The Guarantee Trustee will hold each Preferred Securities Guarantee for the benefit of the holders of the Preferred Securities. KCPL, as the holder of all the Common Securities, will have the right to appoint, remove or replace any Trustee and to increase the number of Trustees, provided that the number of Trustees will be at least four, two of which will be Regular Trustees. KCPL will pay all fees and expenses related to the Trust, the offering of the Preferred Securities and the issuance of the Subordinated Debentures. See "Description of the Subordinated Debentures -- Miscellaneous."

The rights of the holders of the Preferred Securities of each Trust, including economic rights, rights to information and voting rights, are as set forth in the Declaration for such Trust, the Delaware Business Trust Act, as amended (the "Trust Act"), and the Trust Indenture Act. See "Description of the Preferred Securities."

The Property Trustee for each Trust is The First National Bank of Chicago, One First National Plaza, Suite 0126, Chicago, Illinois 60670-0126. The principal place of business of each Trust shall be c/o Kansas City Power & Light Company, 1201 Walnut, Kansas City, Missouri 64106-2124 (telephone number 816/556-2200).

Copies of the above documents (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents) may be obtained upon written or oral request without charge from KCPL, 1201 Walnut, Kansas City, Missouri 64106-2124 (telephone number 816/556-2200).

RATIOS OF EARNINGS TO FIXED CHARGES AND EARNINGS TO
FIXED CHARGES AND PREFERRED DIVIDEND REQUIREMENTS

	Twelve Months Ended September 30, 1996	Year Ended December 31,				
		1995	1994	1993	1992	1991
		(Thousands)				
Ratio of earnings to fixed charges	3.37	3.94	4.07	3.80	3.12	3.22
Ratio of earnings to combined fixed charges and preferred dividend requirements	3.12	3.59	3.69	3.51	2.90	2.85

- (1) For the purpose of computing the ratio of earnings to fixed charges, "earnings" consist of net income plus interest charges, income taxes and the estimated interest component of rents. "Fixed charges" consists of interest charges and the estimated interest component of rents.
- (2) For the purpose of computing the ratio of earnings to fixed charges plus preferred dividend requirements, "earnings" consist of net income plus interest charges, income taxes and the estimated interest component of leased property. "Fixed charges" consists of interest charges and the estimated interest component of leased property. "Preferred dividend requirements" consists of the calculated pre-tax preferred dividend requirement.

USE OF PROCEEDS

Each Trust will use the proceeds of the sale of the Trust Securities to acquire Subordinated Debentures from KCPL. Unless otherwise indicated in the applicable Prospectus Supplement, KCPL intends to add the net proceeds from the sale of the Subordinated Debentures to the general funds of KCPL for use for corporate purposes, which may include capital expenditures, acquisitions, refinancing or repurchase of outstanding long-term debt, preferred and common securities, investments in subsidiaries, and repayment of short-term debt and other business opportunities.

DESCRIPTION OF THE PREFERRED SECURITIES

The Declaration of each Trust authorizes the Regular Trustees of such Trust to issue on behalf of such Trust only one series of Preferred Securities having terms described in the Prospectus Supplement relating thereto. The Declaration will be qualified as an indenture under the Trust Indenture Act. The Property Trustee will act as Indenture Trustee for purposes of the Trust Indenture Act. The Preferred Securities will have such terms, including distributions, redemption, voting, liquidation rights and such other preferred, deferred or other special rights or such restrictions as will be set forth in the Declaration or made part of the Declaration by the Trust Indenture Act and which will mirror the terms of the Subordinated Debentures held by the Trust and described in the Prospectus Supplement relating thereto. Reference is made to the Prospectus Supplement relating to the Preferred Securities of each Trust for specific terms, including (i) the distinctive designation of such Preferred Securities; (ii) the number of Preferred Securities issuable by such Trust; (iii) the annual distribution rate (or method of determining such rate) for Preferred Securities issued by such Trust and the date or dates upon which such distributions will

be payable; (iv) whether distributions on Preferred Securities issued by such Trust will be cumulative, and, in the case of Preferred Securities having such cumulative distribution rights, the date or dates or method of determining the date or dates from which distributions on Preferred Securities issued by such Trust will be cumulative; (v) the amount or amounts which will be paid out of the assets of such Trust to the holders of Preferred Securities of such Trust upon voluntary or involuntary dissolution, winding-up or termination of such Trust; (vi) the obligation, if any, of such Trust to purchase or redeem Preferred Securities issued by such Trust and the price or prices at which, the period or periods within which, and the terms and conditions upon which Preferred Securities issued by such Trust will be purchased or redeemed, in whole or in part, pursuant to such obligation; (vii) the voting rights, if any, of holders of Preferred Securities issued by such Trust in addition to those required by law, including the number of votes per Preferred Security and any requirement for the approval by the holders of such Preferred Securities, or of Preferred Securities issued by one or more Trusts, or of both, as a condition to specified action or amendments to the Declaration of such Trust; (viii) the terms and conditions, if any, upon which the Subordinated Debentures owned by such Trust may be distributed to holders of Preferred Securities of such Trust; (ix) if applicable, any securities exchange upon which the Preferred Securities of such Trust will be listed; and (x) any other relevant rights, preferences, privileges, limitations or restrictions of Preferred Securities issued by such Trust not inconsistent with the Declaration of such Trust or with applicable law. All Preferred Securities offered hereby will be guaranteed by KCPL to the extent set forth below under "Description of the Preferred Securities Guarantees." Certain United States federal income tax considerations applicable to any offering of Preferred Securities will be described in the Prospectus Supplement relating thereto.

Each Trust will issue one series of Common Securities in connection with the issuance of Preferred Securities. The Declaration of each Trust authorizes the Regular Trustees of such Trust to issue on behalf of such Trust one series of Common Securities having such terms including distributions, redemption, voting, liquidation rights or such restrictions as will be set forth therein. Except for voting rights, the terms of the Common Securities issued by a Trust will be substantially identical to the terms of the Preferred Securities issued by such Trust and such Common Securities will rank PARI PASSU, and payments will be made thereon pro rata, with such Preferred Securities except that, upon an event of default under the Declaration, the rights of the holders of such Common Securities to payment in respect of distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the Preferred Securities. Except in certain limited circumstances, the Common Securities of a Trust will also carry the right to vote to appoint, remove or replace any of the Trustees of such Trust. All of the Common Securities of each Trust will be directly or indirectly owned by KCPL.

ENFORCEMENT OF CERTAIN RIGHTS BY HOLDERS OF TRUST PREFERRED SECURITIES

If an Event of Default under a Declaration of a Trust occurs and is continuing, then the holders of Preferred Securities of such Trust would rely on the enforcement by the Property Trustee of its rights as a holder of the applicable series of Subordinated Debentures against KCPL. In addition, the holders of a majority in liquidation amount of Preferred Securities of such Trust will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Property Trustee or to direct the exercise of any trust or power conferred upon the Property Trustee under the applicable Declaration, including the right to direct such Property Trustee to exercise the remedies available to it as a holder of Subordinated Debentures. If the Property Trustee fails to enforce its right under the Subordinated Debentures held by a Trust, a holder of Preferred Securities of such Trust may institute a legal proceeding directly

against KCPL to enforce the Property Trustee's rights under the Subordinated Debentures without first instituting any legal proceeding against the Property Trustee or any other person or entity. Notwithstanding the foregoing, if an Event of Default under the Declaration of a Trust has occurred and is continuing and such event is attributable to the failure of KCPL to pay interest or principal on the applicable series of Subordinated Debentures on the date such interest or principal is otherwise payable (or in the case of redemption, on the redemption date), then a holder of Preferred Securities of such Trust may directly institute a proceeding for enforcement of payment to such holder of the principal of or interest on such Subordinated Debentures having a principal amount equal to the aggregate liquidation amount of the Preferred Securities of such holder (a "Direct Action") on or after the respective due date specified in such Subordinated Debentures. In connection with such Direct Action, KCPL will be subrogated to the rights of such holder of Preferred Securities under the applicable Declaration to the extent of any payment made by KCPL to such holder of Preferred Securities in such Direct Action.

DESCRIPTION OF THE PREFERRED SECURITIES GUARANTEE

Set forth below is a summary of information concerning the Preferred Securities Guarantees which will be executed and delivered by KCPL for the benefit of the holders from time to time of the Preferred Securities under each Trust. Each Preferred Securities Guarantee will be qualified as an indenture under the Trust Indenture Act. The Guarantee Trustee will act as the Guarantee Trustee. The terms of each Preferred Securities Guarantee will be those set forth therein and those made a part thereof by the Trust Indenture Act. The following summary of the material terms of the Preferred Securities Guarantee does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the form of the Preferred Securities Guarantee, which is filed as an exhibit to the Registration Statement of which this Prospectus forms a part, and the Trust Indenture Act. Each Preferred Securities Guarantee will be held by the Guarantee Trustee for the benefit of the holders of the Preferred Securities of the applicable Trust.

GENERAL

Pursuant to each Preferred Securities Guarantee with respect to a Trust, KCPL will irrevocably and unconditionally agree, to the extent set forth therein, to pay in full, to the holders of the Preferred Securities issued by such Trust, the Guarantee Payments (as defined herein) (without duplication of amounts theretofore paid by such Trust), as and when due regardless of any defense, right of set-off or counterclaim which such Trust may have or assert. The following payments or distributions with respect to the Preferred Securities of a Trust, to the extent not paid or made by such Trust, (the "Guarantee Payments") will be subject to the Preferred Securities Guarantee with respect to such Trust (without duplication):(i) any accrued and unpaid distributions which are required to be paid on the Preferred Securities, to the extent such Trust has funds available therefor, (ii) the redemption price, including all accrued and unpaid distributions to the date of the redemption (the "Redemption Price"), to the extent such Trust has funds available therefor, with respect to any Preferred Securities called for redemption by such Trust and (iii) upon a voluntary or involuntary dissolution, winding-up or termination of such Trust (other than in connection with the distribution of Subordinated Debentures held by such Trust to the holders of Preferred Securities issued by such Trust in exchange for such Preferred Securities or redemption of all such Preferred Securities), the lesser of (a) the aggregate of the liquidation amount and all accrued and unpaid distributions on such Preferred Securities to the date of

payment to the extent such Trust has funds available therefor and (b) the amount of assets of such Trust remaining available for distribution to holders of such Preferred Securities in liquidation of such Trust. The redemption price and liquidation amount will be fixed at the time the Preferred Securities are issued. KCPL's obligation to make a Guarantee Payment may be satisfied by direct payment of the required amounts by KCPL to the holders of Preferred Securities issued by a Trust or by causing such Trust to pay such amounts to such holders.

The Preferred Securities Guarantee for a Trust will not apply to any payment of distributions except to the extent such Trust has funds available therefor. If KCPL does not make interest payments on the Subordinated Debentures purchased by a Trust, such Trust will not pay distributions on the Preferred Securities issued by such Trust and will not have funds available therefor.

The Preferred Securities Guarantee for a Trust, when taken together with KCPL's obligations under the applicable Subordinated Debentures, the Indenture and the applicable Declaration, including its obligation to pay costs, expenses, debt, and liabilities of such Trust (other than with respect to its Trust Securities), will be a full and unconditional guarantee, on a subordinated basis, by KCPL of payments due on the Preferred Securities issued by such Trust from the time of issuance of such Preferred Securities, but will not apply to the payment of distributions and other payments on such Preferred Securities when the Property Trustee does not have sufficient funds in the Property Account of such Trust to make such distributions or other payments. If KCPL does not make interest payments on the Subordinated Debentures held by the Property Trustee for a Trust, such Trust will not make distributions on the Preferred Securities issued by such Trust and will not have funds available therefor. See "Description of the Subordinated Debentures -- Certain Covenants."

CERTAIN COVENANTS OF KCPL

In the Preferred Securities Guarantee for a Trust, KCPL will covenant that, so long as any Preferred Securities issued by such Trust remain outstanding, if there shall have occurred and be continuing any event that would constitute an event of default under such Preferred Securities Guarantee or the Declaration of such Trust, then (a) KCPL may not declare or pay any dividend on, or make any distribution of such Trust with respect to, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged), (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures and (c) KCPL may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Stock Guarantees).

AMENDMENTS AND ASSIGNMENT

Except with respect to any changes which do not materially adversely affect the rights of holders of Preferred Securities issued by a Trust (in which case no vote will be required), the Preferred Securities Guarantee for such Trust may be amended only with the prior approval of the holders of not less than 66-2/3% in liquidation amount of the outstanding Preferred Securities issued by such Trust. The manner of obtaining any such approval of holders of Preferred Securities will be set forth in the applicable Prospectus Supplement. All guarantees and agreements contained in each Preferred Securities Guarantee will bind the successors, assigns, receivers, trustees and representatives of KCPL and will inure to the benefit of the Preferred Guarantee Trustee and the holders of the Preferred Securities of the applicable Trust then outstanding.

TERMINATION OF THE PREFERRED SECURITIES GUARANTEE

Each Preferred Securities Guarantee for a Trust will terminate and be of no further force and effect as to the Preferred Securities issued by such Trust upon full payment of the Redemption Price of all such Preferred Securities, or upon distribution of the Subordinated Debentures held by such Trust to the holders of the Trust Securities of such Trust, and will terminate completely upon full payment of the amounts payable upon liquidation of such Trust. See "Description of the Subordinated Debentures -- Indenture Events of Default" for a description of the events of default and enforcement rights of the holders of Subordinated Debentures. Each Preferred Securities Guarantee for a Trust will continue to be effective or will be reinstated, as the case may be, if at any time any holder of Preferred Securities issued by such Trust must repay to such Trust or KCPL, or their successors, any sums paid to them under such Preferred Securities or Preferred Securities Guarantee.

EVENTS OF DEFAULT

An event of default under each Preferred Securities Guarantee will occur upon the failure of KCPL to perform any of its payment or other obligations thereunder.

The holders of a majority in liquidation amount of the Preferred Securities issued by a Trust will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Preferred Guarantee Trustee in respect of the Preferred Securities Guarantee for such Trust or to direct the exercise of any trust or power conferred upon the Preferred Guarantee Trustee under such Preferred Securities Guarantee. If the Preferred Guarantee Trustee fails to enforce the Preferred Securities Guarantee for a Trust, any holder of related Preferred Securities may institute a legal proceeding directly against KCPL to enforce the Preferred Guarantee Trustee's rights under such Preferred Securities Guarantee, without first instituting a legal proceeding against such Trust, the Preferred Guarantee Trustee or any other person or entity.

STATUS OF THE PREFERRED SECURITIES GUARANTEE

KCPL's obligations under the Preferred Securities Guarantee to make the Guarantee Payments will constitute unsecured obligations of KCPL and will rank (i) subordinate and junior in right of payment to all other liabilities of KCPL, including the Subordinated Debentures, except those liabilities of KCPL made PARI PASSU or subordinate by their terms, (ii) PARI PASSU with the most senior preferred stock now or hereafter issued by KCPL and with any

guarantee now or hereafter entered into by KCPL in respect of any preferred or preference stock of any affiliate of KCPL, and (iii) senior to KCPL common stock. The terms of the Preferred Securities provide that each holder of Preferred Securities issued by the a Trust, by acceptance thereof, agrees to the subordination provisions and other terms of the Preferred Securities Guarantee relating thereto.

Each Preferred Securities Guarantees will constitute guarantee of payment and not of collection (that is, the guaranteed party may institute a legal proceeding directly against the guarantor to enforce its rights under such Preferred Securities Guarantee without instituting a legal proceeding against any other person or entity). Each Preferred Securities Guarantee will be deposited with the Guarantee Trustee to be held for the benefit of the holders of the related Preferred Securities. Except as otherwise noted herein, the Guarantee Trustee has the right to enforce each Preferred Securities Guarantee on behalf of the holders of the related Preferred Securities. The Preferred Securities Guarantee for a Trust will not be discharged except by payment of the Guarantee Payments in full (without duplication of amounts theretofore paid by such Trust).

INFORMATION CONCERNING THE GUARANTEE TRUSTEE

The Guarantee Trustee, prior to the occurrence of a default with respect to a Preferred Securities Guarantee and after the curing of all such defaults that may have occurred, undertakes to perform only such duties as are specifically set forth in each Preferred Securities Guarantee and, after default, will exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provisions, the Guarantee Trustee is under no obligation to exercise any of the powers vested in it by the Preferred Securities Guarantee for a Trust at the request of any holder of Preferred Securities issued by such Trust, unless offered reasonable indemnity against the costs, expenses and liabilities which might be incurred thereby; but the foregoing shall not relieve the Guarantee Trustee, upon the occurrence of an event of default under such Preferred Securities Guarantee, from exercising the rights and powers vested in it by such Preferred Securities Guarantee. The Guarantee Trustee also serves as Property Trustee.

KCPL and its officers and directors have no material relationship with the Guarantee Trustee except that (a) the Guarantee Trustee is a dealer in commercial paper issued by KCPL, (b) the Guarantee Trustee is trustee and remarketing agent for certain governmental revenue bonds which are payable with amounts paid by KCPL to the issuer of such bonds, and (c) KCPL and its principal subsidiary maintain lines of credit with the Guarantee Trustee.

GOVERNING LAW

The Preferred Securities Guarantee will be governed by, and construed in accordance with, the internal laws of the State of New York.

DESCRIPTION OF THE SUBORDINATED DEBENTURES

Set forth below is a description of the terms of the Subordinated Debentures which each of the Trusts will hold as trust assets. The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the indenture

("Indenture"), dated as of _____, between KCPL and The First National Bank of Chicago, as Trustee (the "Debt Trustee"), as supplemented by the Supplemental Indenture creating each series of Subordinated Debentures. The Indenture and the form of Supplemental Indenture are filed as exhibits to the Registration Statement of which this Prospectus forms a part. The terms each series of Subordinated Debentures will include those stated in the Indenture and the related Supplemental Indenture and those made a part of the Indenture by reference to the Trust Indenture Act. Certain capitalized terms used herein are defined in the Indenture and the related Supplemental Indenture.

Under certain circumstances involving the dissolution of a Trust following the occurrence of a Special Event as defined in the applicable Prospectus Supplement, Subordinated Debentures held by a Trust may be distributed to the holders of Trust Securities issued by such Trust in liquidation of such Trust. See "Description of the Preferred Securities -- Dissolution; Distribution of Subordinated Debentures" in the applicable Prospectus Supplement.

If any Subordinated Debentures are distributed to the holders of Trust Securities, KCPL will use its best efforts to have such Subordinated Debentures listed on the New York Stock Exchange or on such other exchange as the related Preferred Securities are then listed.

GENERAL

The Indenture provides for the issuance of Subordinated Debentures in an unlimited amount from time to time. Each series of Subordinated Debentures will constitute a separate series under the Indenture, will be in a principal amount equal to the aggregate stated Liquidation Amount of the Preferred Securities issued by the Trust which will hold such Subordinated Debentures plus KCPL's concurrent investment in the Common Securities of such Trust and will rank PARI PASSU with all other series of Subordinated Debentures.

The entire principal amount of the Subordinated Debentures held by a Trust will mature and become due and payable, together with any accrued and unpaid interest thereon, including Additional Interest (as defined), if any, on the date set forth in the applicable Prospectus Supplement.

Reference is made to the Prospectus Supplement relating to the particular Subordinated Debentures being offered thereby for the following terms: (1) the designation of such Subordinated Debentures; (2) the aggregate principal amount of such Subordinated Debentures; (3) the date or dates on which such Subordinated Debentures will mature and the right, if any, to shorten such date or dates; (4) the rate or rates; if any, per annum, at which such Subordinated Debentures will bear interest, or the method of determination of such rate or rates; (5) the date or dates from which such interest will accrue, the interest payment dates on which such interest will be payable or the manner of determination of such interest payment dates and the record dates for the determination of holders to whom interest is payable on any such interest payment dates; (6) the right, if any, to extend the interest payment periods and the duration of such extensions; (7) provisions for a sinking, purchase or other analogous fund; (8) the period or periods, if any, within which, the price or prices of which, and the terms and conditions upon which such Subordinated Debentures may be redeemed, in whole or in part, at the option of KCPL or the holder; (9) the form of such Subordinated Debentures; and (10) any other specific terms of such Subordinated Debentures. Principal, premium, if any, and interest, if any, will be payable, and the Subordinated Debentures offered hereby will be transferable, at the corporate trust office

of the Debt Trustee in New York, New York, provided that payment of interest, if any, may be made at the option of KCPL by check mailed to the address of the person entitled thereto as it appears in the Security Register.

If a Prospectus Supplement specifies that a series of Subordinated Debentures is denominated in a currency or currency unit other than United States dollars, such Prospectus Supplement will also specify the denomination in which such Subordinated Debentures will be issued and the coin or currency in which the principal, premium, if any, and interest, if any, on such Subordinated Debentures will be payable, which may be United States dollars based upon the exchange rate for such other currency or currency unit existing on or about the time a payment is due.

The covenants contained in the Indenture would not necessarily afford protection to holders of the Subordinated Debentures in the event of a decline in credit quality resulting from takeovers, recapitalizations or similar restructurings of KCPL.

If Subordinated Debentures held by a Trust are distributed to holders of its Preferred Securities in liquidation of such holders' interests in such Trust, such Subordinated Debentures will initially be issued as a Global Security (as defined below). As described herein, under certain limited circumstances, Subordinated Debentures may be issued in certificated form in exchange for a Global Security. See "--Book Entry and Settlement." In the event Subordinated Debentures are issued in certificated form, such Subordinated Debentures will be in denominations as specified in the applicable Prospectus Supplement and integral multiples thereof and may be transferred or exchanged at the offices described therein. Payments on Subordinated Debentures issued as a Global Security will be made to the depository for the Subordinated Debentures. In the event Subordinated Debentures are issued in certificated form, principal and interest will be payable, the transfer of the Subordinated Debentures will be registrable and Subordinated Debentures will be exchangeable for Subordinated Debentures of other denominations of a like aggregate principal amount at the corporate trust office of the Debt Trustee in New York, New York; provided, that payment of interest may be made at the option of KCPL by check mailed to the address of the persons entitled thereto.

The Indenture does not contain provisions that afford holders of the Subordinated Debentures protection in the event of a highly leveraged transaction involving KCPL.

SUBORDINATION

The Indenture provides that the Subordinated Debentures are subordinated and junior in right of payment to all Senior Indebtedness of KCPL, whether now existing or hereafter incurred. Senior Indebtedness may include Indebtedness of KCPL which is subordinated to other Indebtedness of KCPL but nevertheless senior to the Subordinated Debentures. No payment of principal of (including redemption payments, if any), premium, if any, or interest on, the Subordinated Debentures may be made if (a) there is any default in the payment of principal, premium, interest or any other payment due on any Senior Indebtedness, or (b) the maturity of any Senior Indebtedness has been accelerated because of a default. Upon any distribution of assets of KCPL to creditors upon any dissolution, winding-up, liquidation or reorganization, whether voluntary or involuntary, or in bankruptcy, insolvency, receivership or other proceedings, all principal of, premium, if any, and interest due or to become due on, all Senior Indebtedness must be paid in full before the holders of the Subordinated Debentures are entitled to receive or retain

any payment. The rights of the holders of the Subordinated Debentures will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions applicable to such Senior Indebtedness until all amounts owing on the Subordinated Debentures are paid in full.

The term "Senior Indebtedness" means (i) any payment in respect of (a) indebtedness of KCPL for money borrowed and (b) indebtedness evidenced by securities, debentures, bonds, notes or other similar instruments issued by KCPL including, without limitation, indebtedness evidenced by securities issued pursuant to its General Mortgage Indenture and Deed of Trust dated as of December 1, 1986, between KCPL and UMB Bank, N.A., as supplemented, and pursuant to indentures with various trustees (other than the Indenture); (ii) all capital lease obligations of KCPL; (iii) all obligations of KCPL issued or assumed as the deferred purchase price of property, all conditional sale obligations of KCPL and all of its obligations under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business); (iv) all obligations of KCPL for reimbursement on any letter of credit, banker's acceptance, security purchase facility or similar credit transaction; (v) all obligations of the type referred to in clauses (i) through (iv) above of other Persons for the payment of which KCPL is responsible or liable as obligor, guarantor or otherwise; and (vi) all obligations of the type referred to in clauses (i) through (v) above of other Persons secured by any lien on any property or asset of KCPL (whether or not such obligation is assumed by KCPL), except for (1) any such indebtedness that is by its terms subordinated to or PARI PASSU with the Subordinated Debentures, as the case may be, including all other debt securities and guarantees in respect of those debt securities, issued to any other trusts, partnerships or other entity affiliated with KCPL which is a financing vehicle of KCPL in connection with the issuance of preferred securities by such entity or other securities which rank PARI PASSU with, or junior to, the Preferred Securities, and (2) any indebtedness between or among KCPL and its affiliates. Such Senior Indebtedness will continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

The Indenture does not limit the aggregate amount of Senior Indebtedness which may be issued by KCPL.

CERTAIN COVENANTS

If (i) there has occurred any event that would constitute an Indenture Event of Default or (ii) KCPL is in default with respect to its payment of any obligations under any Preferred Securities, then (a) KCPL may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock, (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or, (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged), (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures and (c) KCPL may

not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantees).

If KCPL has given notice of its election of an Extension Period as provided in the Indenture and such period, or any extension thereof, is continuing, then (a) KCPL may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock, (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or, (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged) (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures and (c) KCPL may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantees).

For so long as the Trust Securities under a Trust remain outstanding, KCPL will covenant (i) to directly or indirectly maintain 100% direct or indirect ownership of the Common Securities of such Trust; provided, however, that any permitted successor of KCPL under the Indenture may succeed to KCPL's ownership of such Common Securities, (ii) not to cause, as sponsor of such Trust, or to permit, as holder of such Common Securities, the dissolution or winding-up of such Trust, except in connection with a distribution of the Subordinated Debentures held by such Trust as provided in the Declaration for such Trust and in connection with certain mergers, consolidations or amalgamations and (iii) to use its reasonable efforts to cause such Trust (a) to remain a statutory business trust, except in connection with the distribution of Subordinated Debentures to the holders of Trust Securities of such Trust in liquidation of such Trust, the redemption of all such Trust Securities, or certain mergers, consolidations or amalgamations, each as permitted by such Declaration, and (b) to otherwise continue to be classified as a grantor trust for United States federal income tax purposes.

OPTIONAL REDEMPTION

KCPL will have the right to redeem the Subordinated Debentures of each series, in whole or in part, from time to time, on or after the date set forth in the applicable Prospectus Supplement or at any time in certain circumstances upon the occurrence of a Tax Event as described under "Description of the Preferred Securities -- Tax Event Redemption" in the applicable Prospectus Supplement, upon not less than 30 nor more than 60 days' notice, at a Redemption Price equal to 100% of the principal amount to be redeemed plus any accrued and unpaid interest, including Additional Interest, if any, to the redemption date. If a partial redemption of the Preferred Securities of a Trust resulting from a partial redemption of the Subordinated Debentures held by such Trust would result in the delisting of such Preferred Securities, KCPL may only redeem such Subordinated Debentures in whole.

INTEREST

Each Subordinated Debenture will bear interest at the rate set forth in the applicable Prospectus Supplement from the original date of issuance, payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year (each, an "Interest Payment Date"), to the person in whose name such Subordinated Debenture is registered, subject to certain exceptions, at the close of business on the Business Day next preceding such Interest Payment Date. In the event the Subordinated Debentures do not continue to remain in book-entry only form, KCPL will have the right to select record dates which may be not less than fifteen days prior to each Interest Payment Date.

The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months. The amount of interest payable for any period shorter than a full quarterly period will be computed on the basis of the actual number of days elapsed in such 90-day quarter. In the event that any date on which interest is payable on the Subordinated Debentures is not a Business Day, then payment of the interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

OPTION TO EXTEND INTEREST PAYMENT PERIOD

Except to the extent set forth in the applicable Prospectus Supplement, KCPL will have the right at any time, and from time to time, during the term of any series of Subordinated Debentures, to defer payments of interest by extending the interest payment period for a period not exceeding 20 consecutive quarters, at the end of which Extension Period, KCPL will pay all interest then accrued and unpaid (including any Additional Interest, together with interest thereon at the rate specified for such Subordinated Debentures to the extent permitted by applicable law); provided, that, during any such Extension Period, (a) KCPL may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock, (other than (i) purchases or acquisitions of shares of KCPL common stock in connection with the satisfaction by KCPL of its obligations under any employee benefit plans or any other contractual obligation of KCPL (other than a contractual obligation ranking PARI PASSU with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of KCPL capital stock or the exchange or conversion of one class or series of KCPL capital stock for another class or series of KCPL capital stock or, (iii) the purchase of fractional interests in shares of KCPL capital stock pursuant to the conversion or exchange provisions of such KCPL capital stock or the security being converted or exchanged) or make any guarantee payments with respect to the foregoing (b) KCPL may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by KCPL which rank PARI PASSU with or junior to the Subordinated Debentures to which such Extension Period applies and (c) KCPL will not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantees). This covenant effectively requires that any Extension Period with respect to payment of interest on a series of Subordinated Debentures will also apply to each other series of subordinated debentures issued under the Indenture to other trusts similar to the Trust. Prior to the termination of any such Extension Period for a series of Subordinated Debentures, KCPL may further defer payments of interest on such Subordinated Debentures, by extending the interest payment period, provided that such Extension Period together with all such previous and further

extensions thereof for such series of Subordinated Debentures may not exceed 20 consecutive quarters or extend beyond the maturity of such series of Subordinated Debentures.

Upon the termination of any Extension Period for a series of Subordinated Debentures, and the payment of all amounts then due, KCPL may select a new Extension Period for such series of Subordinated Debentures, as if no Extension Period had previously been declared, subject to the above requirements. No interest on a series of Subordinated Debentures during an Extension Period, except at the end thereof, will be due and payable on such series of Subordinated Debentures.

KCPL has no present intention of exercising its rights to defer payments of interest by extending the interest payment period on any Subordinated Debentures.

If the Property Trustee is the sole holder of a series of Subordinated Debentures, KCPL will give the Regular Trustees and the Property Trustee notice of its selection of such Extension Period for such series of Subordinated Debentures one Business Day prior to the earlier of (i) the next succeeding date on which distributions on the related Preferred Securities are payable or (ii) the date the applicable Trust is required to give notice to the New York Stock Exchange or other applicable self-regulatory organization or to holders of such Preferred Securities on the record date or the date such distribution is payable, but in any event not less than one Business Day prior to such record date. The Regular Trustees shall give notice of KCPL's selection of such Extension Period to the holders of such Preferred Securities. If the Property Trustee is not the sole holder of a series of Subordinated Debentures, KCPL will give the holders of such Subordinated Debentures notice of its selection of such Extension Period ten Business Days prior to the earlier of (i) the Interest Payment Date or (ii) the date KCPL is required to give notice to the New York Stock Exchange or other applicable self-regulatory organization or to holders of such Subordinated Debentures on the record or payment date of such related interest payment, but in any event at least two Business Days before such record date.

ADDITIONAL INTEREST

If at any time a Trust is required to pay any taxes, duties, assessments or governmental charges of whatever nature (other than withholding taxes) imposed by the United States, or any other taxing authority, then, in any such case, KCPL will pay as additional interest ("Additional Interest") such additional amounts as shall be required so that the net amounts received and retained by such Trust after paying any such taxes, duties, assessments or other governmental charges will be equal to the amounts such Trust would have received had no such taxes, duties, assessments or other governmental charges been imposed.

INDENTURE EVENTS OF DEFAULT

In case any Indenture Event of Default occurs and is continuing with respect to a series of Subordinated Debentures, the Property Trustee, as the holder of such Subordinated Debentures, will have the right to declare the principal of and the interest on such Subordinated Debentures (including Additional Interest, if any) and any other amounts payable under the Indenture to be forthwith due and payable and to enforce its other rights as a creditor with respect to such Subordinated Debentures.

The Indenture provides that any one or more of the following described events, which has occurred and is continuing, constitutes an "Event of Default" with respect to any series of the Subordinated Debentures:

- (a) failure for 30 days to pay interest on the Subordinated Debentures of such series, including any Additional Interest in respect thereof, when due; provided, however, that a valid extension of the interest payment period by KCPL will not constitute a default in the payment of interest for this purpose; or
- (b) failure to pay principal of or premium, if any, on the Subordinated Debentures of such series when due whether at maturity, upon redemption or otherwise; or
- (c) failure to observe or perform any other covenant (other than those specifically relating solely to one or more other series of Subordinated Debentures) contained in the Indenture for 90 days after written notice to KCPL from the Debt Trustee or the holders of at least 25% in principal amount of the outstanding Subordinated Debentures; or
- (d) certain events of bankruptcy, insolvency or reorganization of KCPL; or
- (e) the voluntary or involuntary dissolution, winding-up or termination of the applicable Trust, except in connection with the distribution of Subordinated Debentures to the holders of Trust Securities of such Trust in liquidation of such Trust, the redemption of all outstanding Trust Securities of such Trust and certain mergers, consolidations or amalgamations permitted by the Declaration.

The holders of a majority in aggregate outstanding principal amount of the Subordinated Debentures of such series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Debt Trustee. Either the Debt Trustee or the holders of not less than 25% in aggregate outstanding principal amount of the Subordinated Debentures of such series may declare the principal of such series due and payable immediately on default, but the holders of a majority in aggregate outstanding principal amount of such series may annul such declaration and waive such default if such default has been cured and a sum sufficient to pay all matured installments of interest and principal due otherwise than by acceleration and any applicable premium has been deposited with the Debt Trustee.

The holders of a majority in aggregate outstanding principal amount of a series of Subordinated Debentures affected thereby may, on behalf of the holders of all such Subordinated Debentures, waive any past default, except (i) a default in the payment of principal, premium, if any, or interest (unless such default has been cured and a sum sufficient to pay all matured installments of interest and principal due otherwise than by acceleration and any applicable premium has been deposited with the Debt Trustee) or (ii) a default in the covenant of KCPL not to declare or pay dividends on, or make distributions with respect to, or redeem, purchase or acquire any of its capital stock during an Extension Period. An Indenture Event of Default also constitutes a Declaration Event of Default. The holders of Preferred Securities in certain circumstances described in the applicable Prospectus Supplement may have the right to direct the Property Trustee to exercise its rights as the holder of the Subordinated Debentures.

PAYMENT AND PAYING AGENTS

Payment of principal of and premium (if any) on Subordinated Debentures will be made only against surrender to the Paying Agent of the Subordinated Debentures. Principal of and any premium and interest, if any, on Subordinated Debentures will be payable, subject to any applicable laws and regulations, at the office of such Paying Agent or Paying Agents as KCPL may designate from time to time, except that at the option of KCPL payment of any interest may be made by check mailed to the address of the person entitled thereto as such address appears in the Debenture Register with respect to the Subordinated Debentures. Payment of interest on the Subordinated Debentures on any Interest Payment Date will be made to the person in whose name the Subordinated Debenture (or predecessor security) is registered at the close of business on the Regular Record Date for such interest payment.

The Debt Trustee will act as Paying Agent with respect to the Subordinated Debentures. KCPL may at any time designate additional Paying Agents or rescind the designation of any Paying Agent or approve a change in the office through which any Paying Agent acts, except that KCPL will be required to maintain a Paying Agent at the place of payment.

All moneys paid by KCPL to a Paying Agent for the payment of the principal of or premium or interest, if any, on any Subordinated Debentures which remain unclaimed at the end of two years after such principal, premium, if any, or interest shall have become due and payable will be repaid to KCPL and the holder of such Subordinated Debentures will thereafter look only to KCPL for payment thereof.

MODIFICATION OF THE INDENTURE

The Indenture contains provisions permitting KCPL and the Debt Trustee, with the consent of the holders of not less than a majority in principal amount of the Subordinated Debentures, to modify the Indenture or the rights of the holders of the Subordinated Debentures, and the holders of not less than a majority in principal amount of the Subordinated Debentures of a particular series to modify the supplemental indenture affecting that series; provided that no such modification may, without the consent of the holder of each outstanding Subordinated Debenture affected thereby, (i) extend the fixed maturity of such Subordinated Debentures, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the holder of the Subordinated Debentures so affected or (ii) reduce the percentage of Subordinated Debentures, the holders of which are required for such consent, without the consent of the holder of each Subordinated Debenture then outstanding and affected thereby.

In addition, KCPL and the Debt Trustee may execute, without the consent of holders of the Subordinated Debentures, any supplemental indenture for certain other usual purposes including the creation of any new series of Subordinated Debentures.

CONSOLIDATION, MERGER AND SALE

The Indenture does not contain any covenant which restricts the ability of any Trust or KCPL to merge or consolidate with or into any other corporation, sell or convey all or substantially all of its assets to any person, firm or corporation or otherwise engage in restructuring transactions.

DEFEASANCE AND DISCHARGE

Under the terms of the Indenture, KCPL will be discharged from any and all obligations in respect of any series of Subordinated Debentures (except in each case for certain obligations with respect to denominations and provisions for payment of such Subordinated Debentures and obligations to register the transfer or exchange of such Subordinated Debentures, replace stolen, lost or mutilated Subordinated Debentures, maintain paying agencies and hold moneys for payment in trust) if KCPL (i) deposits with the Debt Trustee, in trust, moneys or Governmental Obligations, in an amount sufficient to pay all the principal of, and interest on, such Subordinated Debentures on the dates such payments are due in accordance with the terms of such Subordinated Debentures and (ii) delivers to the Debt Trustee an opinion of counsel to the effect that, based upon KCPL's receipt from, or the publication by, the Internal Revenue Service of a ruling, or a change in law, the holders of the Subordinated Debentures of such series will not recognize income, gain or loss for United States Federal income tax purposes as a result of the deposit, defeasance and discharge and will be subject to United States Federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance or discharge had not occurred.

GOVERNING LAW

The Indenture and the Subordinated Debentures will be governed by, and construed in accordance with, the internal laws of the State of New York.

INFORMATION CONCERNING THE DEBT TRUSTEE

The Debt Trustee, prior to default, undertakes to perform only such duties as are specifically set forth in the Indenture and, after default, will exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provision, the Debt Trustee is under no obligation to exercise any of the powers vested in it by the Indenture at the request of any holder of Subordinated Debentures, unless offered reasonable indemnity by such holder against the costs, expenses and liabilities which might be incurred thereby; but the foregoing will not relieve the Debt Trustee, upon the occurrence of an Indenture Event of Default, from exercising the rights and powers vested in it by the Indenture. The Debt Trustee is not required to expend or risk its own funds or otherwise incur personal financial liability in the performance of its duties if the Debt Trustee reasonably believes that repayment or adequate indemnity is not reasonably assured to it.

MISCELLANEOUS

KCPL will have the right at all times to assign any of its rights or obligations under the Indenture to a direct or indirect wholly-owned subsidiary of KCPL; provided that, in the event of any such assignment, KCPL will remain liable for all of such obligations. Subject to the foregoing, the Indenture will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. The Indenture provides that it may not otherwise be assigned by the parties thereto.

The Indenture will provide that KCPL will pay all fees and expenses related to (i) the offering and sale of the Trust Securities and the Subordinated Debentures, (ii) the

organization, maintenance and dissolution of each Trust, (iii) the retention of the Trustees and (iv) the enforcement by the Property Trustee of the rights of holders of Preferred Securities.

EFFECT OF OBLIGATIONS UNDER THE SUBORDINATED DEBENTURES
AND THE PREFERRED SECURITIES GUARANTEE

As set forth in the Declaration for each Trust, the sole purposes of each Trust are to (i) issue Trust Securities, (ii) invest the proceeds thereof in the Subordinated Debentures and (iii) engage in only those other activities necessary or incidental thereto.

As long as payments of interest and other payments are made when due on a series of Subordinated Debentures, such payments will be sufficient to cover distributions and payments due on the related Trust Securities primarily because (i) the aggregate principal amount of such Subordinated Debentures will be equal to the sum of the aggregate stated liquidation amount of such Trust Securities; (ii) the interest rate and interest and other payment dates on such Subordinated Debentures will match the distribution rate and distribution and other payment dates for such Preferred Securities; (iii) KCPL will pay for all costs and expenses of each Trust; and (iv) the Declaration provides that the Trustees may not cause or permit the Trust to, among other things, engage in any activity that is not consistent with the purposes of the Trust.

Payments of distributions (to the extent funds therefor are available) and other payments due on the Preferred Securities (to the extent funds therefor are available) are guaranteed by KCPL as and to the extent set forth under "Description of the Preferred Securities Guarantee". If KCPL does not make interest payments on the Subordinated Debentures purchased by a Trust, it is expected that such Trust will not have sufficient funds to pay distributions on such Preferred Securities. The Preferred Securities Guarantee for a Trust is a full and unconditional guarantee from the time of its issuance, but does not apply to any payment of distributions unless and until such Trust has sufficient funds for the payment of such distributions.

If KCPL fails to make interest or other payments on the Subordinated Debentures held by a Trust when due (taking into account any Extension Period), the Declaration for such Trust provides a mechanism whereby the holders of the Preferred Securities of such Trust, using the procedures described in "Description of the Preferred Securities -- Voting Rights" in the applicable Prospectus Supplement may direct the Property Trustee to enforce its rights under such Subordinated Debentures, including proceeding directly against KCPL to enforce the Subordinated Debentures. If the Property Trustee fails to enforce its rights under such Subordinated Debentures, a holder of such Preferred Securities may, after a period of 30 days has elapsed from such holder's written request to the Property Trustee to enforce such rights, institute a legal proceeding directly against KCPL to enforce the Property Trustee's rights under such Subordinated Debentures without first instituting any legal proceeding against the Property Trustee or any other person or entity, including such Trust.

If KCPL fails to make payments under a Preferred Securities Guarantee for a Trust, such Preferred Securities Guarantee provides a mechanism whereby the holders of the Preferred Securities of such Trust may direct the Guarantee Trustee to enforce its rights thereunder. If the Guarantee Trustee fails to enforce such Preferred Securities Guarantee, any holder of such Preferred Securities may institute a legal proceeding directly against KCPL to enforce the

Guarantee Trustee's rights under such Preferred Securities Guarantee, without first instituting a legal proceeding against such Trust, the Guarantee Trustee or any other person or entity.

The above mechanisms and obligations, taken together, are equivalent to a full and unconditional guarantee by KCPL of payments due on the Preferred Securities. See "Description of the Preferred Securities Guarantees -- General."

PLAN OF DISTRIBUTION

KCPL and the Trusts may offer and sell the Preferred Securities in any of three ways: (i) through agents; (ii) through underwriters or dealers; or (iii) directly to one or more purchasers. The Prospectus Supplement with respect to any of the Preferred Securities will set forth the terms of the offering of such Preferred Securities, including the name or names of any underwriters or agents, the purchase price of such Preferred Securities, the proceeds to the applicable Trust from such sale, any underwriting discounts or agency fees and other items constituting underwriters' or agents' compensation, the initial public offering price, any discounts or concessions allowed or reallocated or paid to dealers, and any securities exchanges on which such Preferred Securities may be listed.

The distribution of the Preferred Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at a market price prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

Underwriters, dealers and agents may be entitled, under agreements entered into with KCPL to indemnification by KCPL against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which the underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents, and affiliates thereof, may be customers of, engage in transactions with, or perform services for KCPL and its affiliates in the ordinary course of business.

All Preferred Securities will be new issues of securities with no established trading market. Any underwriters to whom Preferred Securities are sold by a Trust for public offering and sale may make a market in such Preferred Securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given concerning the liquidity of the trading market for any Preferred Securities.

EXPERTS

The financial statements included in KCPL's Annual Report on Form 10-K for the year ended December 31, 1995, incorporated by reference in this Prospectus and in the Registration Statement, have been audited by Coopers & Lybrand L.L.P., independent public accountants, as indicated in their reports with respect thereto, and are included herein, in reliance upon the authority of said firm as experts in giving said reports.

LEGAL OPINIONS

Certain matters of Delaware law relating to the validity of the Preferred Securities will be passed upon on behalf of each Trust by Pepper, Hamilton & Scheetz, special Delaware counsel to each Trust. Legal matters with respect to the Subordinated Debentures offered hereby and the Preferred Securities Guarantees will be passed upon for KCPL by Jeanie Sell Latz, Senior Vice President and Chief Legal Officer, and for the Underwriters by Sidley & Austin, One First National Plaza, Chicago, Illinois 60603. Sidley & Austin will rely for purposes of their opinions upon the opinion of Ms. Latz as to matters of Missouri law. Certain United States federal income taxation matters will be passed upon by Sidley & Austin. At September 30, 1996, Ms. Latz owned beneficially 1,945 shares of KCPL's Common Stock; she also has options to purchase 15,375 shares of KCPL's Common Stock at the fair market value on the dates of the grants. Sidley & Austin occasionally performs legal services for KCPL.

The statements herein under "Description of Subordinated Debentures" and "Description of Preferred Securities Guarantees," as to the matters of law and legal conclusions, have been prepared under the supervision of and reviewed by, and are made on the authority of Ms. Latz, who has given her opinion that such statements as to such matters and conclusions are correct.

No person is authorized to give any information or make any representations, other than those contained or incorporated by reference in this Prospectus Supplement and the Prospectus, in connection with the offer contained herein, and, if given or made, such other information or representations must not be relied upon as having been authorized by the KCPL, the Trust or the Underwriters. Neither the delivery of this Prospectus Supplement and the Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of KCPL since the date as of which information is given in this Prospectus Supplement and the Prospectus. This Prospectus Supplement and the Prospectus do not constitute an offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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____% TRUST ORIGINATED
PREFERRED SECURITIES_
("TOPRS")
FULLY AND UNCONDITIONALLY
GUARANTEED BY

KANSAS CITY
POWER & LIGHT
COMPANY

PROSPECTUS SUPPLEMENT

MERRILL LYNCH & CO.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSE OF ISSUANCE AND DISTRIBUTION

An estimate of such expense, other than underwriting commissions, is as follows:

Securities and Exchange Commission filing fee	\$90,909
New York Stock Exchange listing fee	45,000
Rating Agency fees	77,000
Trustees' expenses	15,000
Printing and engraving fees	30,000
Accounting fees and expenses	10,000
Legal fees and expenses	125,000
Blue Sky expenses	1,000
Miscellaneous	6,091
Total	\$400,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 351.355 R.S.Mo. (1986) provides as follows:

1. A corporation created under the laws of this state may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

2. The corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, and amounts paid in settlement actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or

not opposed to the best interests of the corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

3. To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsections 1 and 2 of this section, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the action, suit or proceeding.

4. Any indemnification under subsections 1 and 2 of this section, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this section. The determination shall be made by the board of directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit, or proceeding, or if such a quorum is not obtainable, or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the shareholders.

5. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding as authorized by the board of directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section.

6. The indemnification provided by this section shall be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles of incorporation or bylaws or any agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

7. A corporation created under the laws of this state shall have the power to give any further indemnity, in addition to the indemnity authorized or contemplated under other subsections of this section, including subsection 6, to any person who is or was a director, officer, employee or agent, or to any person who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, provided such further indemnity is either (i) authorized, directed, or provided for in the articles of incorporation of the corporation or any duly adopted amendment thereof or (ii) is authorized, directed, or provided for in any bylaw or agreement of the corporation which has been adopted by a vote of the shareholders of the corporation, and provided further that no such indemnity shall indemnify any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct.

Nothing in this subsection shall be deemed to limit the power of the corporation under subsection 6 of this section to enact bylaws or to enter into agreements without shareholder adoption of the same.

8. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this section.

9. Any provision of this chapter to the contrary notwithstanding, the provisions of this section shall apply to all existing and new domestic corporations, including but not limited to banks, trust companies, insurance companies, building and loan associations, savings bank and safe deposit companies, mortgage loan companies, corporations formed for benevolent, religious, scientific or educational purposes and nonprofit corporations.

10. For the purpose of this section, references to "the corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

11. For purposes of this section, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and the term "serving at the request of the corporation" shall include any service as a director, officer, employee, or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this section.

The officers and directors of KCPL (the "Company") have entered into indemnification agreements with KCPL indemnifying such officers and directors to the extent allowed under the above Section 351.355 RSMo (1986). Article XIII of the Restated Articles of Consolidation of KCPL provides as follows:

ARTICLE THIRTEENTH. (a) Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Company or is or was an employee of the Company acting within the scope and course of his or her employment or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust

or other enterprise, including service with respect to employee benefit plans, shall be indemnified and held harmless by the Company to the fullest extent authorized by The Missouri General and Business Corporation Law, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid to or to be paid in settlement) actually and reasonably incurred by such person in connection therewith. The Company may in its discretion by action of its Board of Directors provide indemnification to agents of the Company as provided for in this ARTICLE THIRTEENTH. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators.

(b) Rights Not Exclusive. The indemnification and other rights provided by this ARTICLE THIRTEENTH shall not be deemed exclusive of any other rights to which a person may be entitled under any applicable law, By-laws of the Company, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in such person's official capacity and as to action in any other capacity while holding the office of Director or officer, and the Company is hereby expressly authorized by the shareholders of the Company to enter into agreements with its Directors and officers which provide greater indemnification rights than that generally provided by The Missouri General and Business Corporation Law; provided, however, that no such further indemnity shall indemnify any person from or on account of such Director's or officer's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct. Any such agreement providing for further indemnity entered into pursuant to this ARTICLE THIRTEENTH after the date of approval of this ARTICLE THIRTEENTH by the Company's shareholders need not be further approved by the shareholders of the Company in order to be fully effective and enforceable.

(c) Insurance. The Company may purchase and maintain insurance on behalf of any person who was or is a director, officer, employee or agent of the Company, or was or is serving at the request of the Company as a Director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of this ARTICLE THIRTEENTH.

(d) Amendment. This ARTICLE THIRTEENTH may be hereafter amended or repealed; however, no amendment or repeal shall reduce, terminate or otherwise adversely affect the right of a person entitled to obtain indemnification or an advance of expenses with respect to an action, suit or proceeding that pertains to or arises out of actions or omissions that occur prior to the later of (a) the effective date of such amendment or repeal; (b) the expiration date of such person's then current term of office with, or service for, the Company (provided such person has a stated term of office or service and completes such term); or (c) the effective date such person resigns his or her office or terminates his or her service (provided such person has a stated term of office or service but resigns prior to the expiration of such term).

Each Declaration of Trust provides that no Trustee, affiliate of any Trustee, or any officers, directors, shareholders, members, partners, employees, representatives, or agents of any Trustee, or any employee or agent of the Trust or its affiliates (each an "Indemnified Person") shall be liable, responsible or accountable in damages or otherwise to the Trust or any employee or

agent of the Trust or its affiliates for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Indemnified Person in good faith on behalf of the Trust and in a manner such Indemnified Person reasonably believed to be within the scope of the authority conferred on such Indemnified Person by the Declaration or by law, except that an Indemnified Person shall be liable for any such loss, damage or claim incurred by reason of such Indemnified Person's gross negligence or willful misconduct with respect to such act or omission. Each Declaration of Trust also provides that, to the fullest extent permitted by applicable law, KCPL shall indemnify and hold harmless each Indemnified Person from and against any loss, damage or claim incurred by such Indemnified Person by reason of any act or omission performed or omitted by such Indemnified Person in good faith on behalf of the Trust and in a manner such Indemnified Person reasonably believed to be within the scope of authority conferred on such Indemnified Person by such Declaration, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Indemnified Person by reason of gross negligence or willful misconduct with respect to such act or omission. The Declaration of Trust further provides that, to the fullest extent permitted by applicable law, expenses (including legal fees) incurred by an Indemnified Person in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by KCPL prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by KCPL of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall be determined that the Indemnified Person is not entitled to be indemnified for the underlying cause of action as authorized by such Declaration.

ITEM 16. EXHIBITS

The following exhibits are filed herewith. Documents indicated by an asterisk (*) are incorporated by reference by the File No. indicated.

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----
1	Form of purchase agreement for offering of Preferred Securities.
4-a	Certificate of Trust of KCPL Financing I, (The Certificate of Trust for each other Trust are identical except for the name, and will be filed upon request).
4-b	Form of Amended and Restated Declaration of Trust of KCPL Financing I. (The Declaration of Trust for each other Trust are identical except for the name, and will be filed upon request).
4-c	Indenture between KCPL and The First National Bank of Chicago, as Trustee.
4-d	Form of Supplemental Indenture to be used in connection with the issuance of each series of Subordinated Debentures.
4-e	Form of Preferred Security (included in 4-b).

- 4-f Form of Subordinated Debenture (included in 4-d).
- 4-g Form of Preferred Securities Guarantee Agreement.
- 4-h *General Mortgage and Deed of Trust dated as of December 1, 1986, between the Company and UMB 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-i *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-j *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-k *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-l *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-m *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-n *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-o *Ninth Supplemental Indenture dated as of February 1, 1994, to Indenture dated as of December 1, 1986 (Exhibit 4-h to Form 10-K for year ended December 31, 1993).
- 4-p *Tenth Supplemental Indenture dated as of November 1, 1994, to Indenture dated as of December 1, 1986 (Exhibit 4-i to Form 10-K for year ended December 31, 1994).
- 4-q *Note Indenture dated as of November 1, 1994, between the Company and the Bank of New York creating the Notes (Exhibit 4-j to Registration Statement, Registration No. 33-56309).
- 4-r *Note Indenture dated as of November 15, 1992, between the Company and The Bank of New York creating the Notes (Exhibit 4-aa to Registration Statement, Registration No. 33-54196).

- 4-s *Note Indenture 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-t *Note Indenture 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-u *Form of Note Indenture dated as of December 1, 1996, between the Company and The Bank of New York creating the Notes.
- 4-v *Resolution of Board of Directors Establishing 3.80% Cumulative Preferred Stock (Exhibit 2-R to Registration Statement, Registration No. 2-402339).
- 4-w *Resolution of Board of Directors Establishing 4% Cumulative Preferred Stock (Exhibit 2-S to Registration Statement, Registration No. 2-40239).
- 4-x *Resolution of Board of Directors Establishing 4.50% Cumulative Preferred Stock (Exhibit 2-T to Registration Statement, Registration No. 2-40239).
- 4-y *Resolution of Board of Directors Establishing 4.20% Cumulative Preferred Stock (Exhibit 2-U to Registration Statement, Registration No. 2-40239).
- 4-z *Resolution of Board of Directors Establishing 4.35% Cumulative Preferred Stock (Exhibit 2-V to Registration Statement, Registration No. 2-40239).
- 4-aa *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).
- 5-a Opinion of Pepper, Hamilton & Scheetz re legality of Preferred Securities.
- 5-b Opinion of J.S. Latz, Senior Vice President and Chief Legal Officer of KCPL, re legality of Subordinated Debentures and the Preferred Securities Guarantees.
- 8 Opinion of Sidley & Austin re tax matters.
- 12 Statement re Computation of Ratios of Earnings to Fixed Charges and Ratios of Earnings to Fixed Charges and Preferred Dividend Requirements.
- 23-a Consent of Independent Accountants -- Coopers & Lybrand L.L.P.
- 23-b Consent of Pepper, Hamilton & Scheetz (included in 5-a).

23-c Consent of J.S. Latz (included in 5-b).

23-d Consent of Sidley & Austin (included in 8).

24 Powers of attorney.

25-a Statement of eligibility and qualification on Form T-1 of The First National Bank of Chicago, as Debt Trustee under the Indenture.

25-b Statements of Eligibility of The First National Bank of Chicago as Trustee under the Amended and Restated Declaration of Trust of KCPL Financing I and under the Preferred Security Guarantee of KCPL for the benefit of the holders of Preferred Securities of KCPL Financing I.

25-c Statements of Eligibility of The First National Bank of Chicago as Trustee under the Amended and Restated Declaration of Trust of KCPL Financing II and under the Preferred Security Guarantee of KCPL for the benefit of the holders of Preferred Securities of KCPL Financing II.

25-d Statements of Eligibility of The First National Bank of Chicago as Trustee under the Amended and Restated Declaration of Trust of KCPL Financing III and under the Preferred Security Guarantee of KCPL for the benefit of the holders of Preferred Securities of KCPL Financing III.

ITEM 17. UNDERTAKINGS.

The undersigned registrants hereby undertake:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

a. To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

b. To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in the volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

c. To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

Provided, however, that (1)(a) and (1)(b) do not apply if the information required to be included in a post-effective amendment by those items is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference to this registration statement.

The undersigned registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of KCPL's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities as that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions described under Item 15 above, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by them is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrants hereby undertake that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Kansas City Power & Light Company, on behalf of each of the Registrants, certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kansas City, and State of Missouri as of this 17th day of December, 1996.

KANSAS CITY POWER & LIGHT COMPANY

By /s/ Drue Jennings

 (Drue Jennings)
 Chairman of the Board and
 Chief Executive Officer

II-10

Each person whose signature appears below hereby constitutes and appoints Drue Jennings and _____, or either of them, acting alone, as his true and lawful attorney-in-fact, with full power and authority to execute in the name, place and stead of each such person in any and all capacities and to file, an amendment or amendments to the Registration Statement (and all exhibits thereto) and any documents relating thereto, which amendments may make such changes in the Registration Statement as said officer or officers so acting deem(s) advisable.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/Drue Jennings ----- (Drue Jennings)	Chairman of the Board and Chief Executive Officer (Principal Executive Officer))))
/s/B. J. Beaudoin ----- (B. J. Beaudoin)	Executive Vice President and Chief Financial Officer (Principal Financial Officer))))
/s/Neil Roadman ----- (Neil Roadman)	Controller (Principal Accounting Officer))))
*David L. Bodde ----- (David L. Bodde)	Director)))
*William H. Clark ----- (William H. Clark)	Director)))
*Robert J. Dineen ----- (Robert J. Dineen)	Director) December 17, 1996))
*Arthur J. Doyle ----- (Arthur J. Doyle)	Director)))
*W. Thomas Grant II ----- (W. Thomas Grant II)	Director)))
*George E. Nettels, Jr. ----- (George E. Nettels, Jr.)	Director)))
*Linda Hood Talbott ----- (Linda Hood Talbott)	Director)))
*Robert H. West ----- (Robert H. West)	Director)))

*By /s/Drue Jennings

(Drue Jennings)
Attorney-in-fact

KCPL FINANCING I
(Registrant)

By: /s/ Andrea F. Bielsker

Trustee

KCPL FINANCING II
(Registrant)

By: /s/ Andrea F. Bielsker

Trustee

KCPL FINANCING III
(Registrant)

By: /s/ Andrea F. Bielsker

Trustee

_____ Preferred Securities

KCPL FINANCING _
(a Delaware Trust)

_____% Trust Originated Preferred Securities(sm)
("TOPrS(sm)")
(Liquidation Amount of \$25 Per Preferred Security)

PURCHASE AGREEMENT

_____, 199_

MERRILL LYNCH & CO.

Merrill Lynch, Pierce, Fenner & Smith Incorporated
as Representative of the several Underwriters
Merrill Lynch World Headquarters
North Tower
World Financial Center
New York, New York 10281

Dear Sirs:

KCPL Financing _ (the "Trust"), a statutory business trust organized under the Business Trust Act (the "Delaware Act") of the State of Delaware (Chapter 38, Title 12, of the Delaware Code, 12 Del. C. Section 3801 et seq.), and Kansas City Power & Light Company, a Missouri corporation (the "Company" and, together with the Trust, the "Offerors") confirm their agreement (the "Agreement") with Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and each of the other Underwriters named in Schedule A hereto (collectively, the "Underwriters", which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom Merrill Lynch is acting as representative (in such capacity, Merrill Lynch shall hereinafter be referred to as the "Representative"), with respect to the sale by the Trust and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of _____ % Trust Originated Preferred Securities (liquidation amount of \$25 per preferred security) of the Trust ("Preferred Securities") set forth in said Schedule A. The Preferred Securities will be guaranteed by the Company with respect to distributions and payments upon liquidation, redemption and otherwise (the "Preferred Securities Guarantee") pursuant to the Preferred Securities Guarantee Agreement (the "Preferred Securities Guarantee Agreement"), dated as of _____, 199_, between the Company and The First National Bank of Chicago, as trustee (the "Guarantee Trustee"), and entitled to the benefits of certain backup undertakings described in the Prospectus with respect to the Company's agreement pursuant to the Supplemental Indenture (as defined herein) to pay all expenses relating to administration of the Trust (the "Undertakings"). The Preferred Securities and the related Preferred Securities Guarantee are referred to herein as the "Securities".

The Offerors have filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 333- _____) and a related prospectus and preliminary prospectus supplement for the registration under the Securities Act of 1933 (the "1933 Act") of up to a combination of \$300,000,000 of (i) preferred securities, including the Preferred Securities, (ii) guarantees of the preferred securities, including the Preferred Securities Guarantee, and (iii) unsecured subordinated debentures, including the Subordinated Debentures (as defined below), to be issued and sold by the Company to the trusts, including the Trust, which issue the preferred securities, have filed such amendments thereto, if any, and such amended prospectuses and amended preliminary prospectus supplements as may have been required to the date hereof, and will file such additional amendments thereto and such amended prospectuses and amended prospectus supplements as may hereafter be required. Such registration statement (as amended, if applicable) and the prospectus constituting a part thereof (including, in each case, all documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act and the information, if any, deemed to be part thereof pursuant to Rule 430A(b) of the rules and regulations of the Commission under the 1933 Act (the "1933 Act Regulations")), as from time to time amended or supplemented pursuant to the 1933 Act, the Securities Exchange Act of 1934, as amended (the "1934 Act"), or otherwise, including the prospectus supplement (the "Prospectus Supplement") required to be filed by the Offerors pursuant to Rule 424(b) of the 1933 Act Regulations with respect to the Preferred Securities (but excluding any prospectus supplement filed by the Company and any trust other than the Trust) are hereinafter referred to as the "Registration Statement" and the

"Prospectus", respectively, except that, if any revised prospectus or prospectus supplement shall be provided to the Underwriters by the Offerors for use in connection with the offering of the Preferred Securities which differs from the Prospectus (whether or not such revised prospectus is required to be filed by the Offerors pursuant to Rule 424(b) of the 1933 Act Regulations), the term "Prospectus" shall refer to such revised prospectus from and after the time it is first provided to the Underwriters for such use. All references in this Agreement to financial statements and schedules and other information that is "contained," "included" or "stated" in the Registration Statement or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that are or are deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement or the Prospectus shall be deemed to mean and include the filing of any document under the 1934 Act that is or is deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

The Offerors understand that the Underwriters propose to make a public offering of the Securities as soon as the Representative deems advisable. The entire proceeds from the sale of the Securities will be combined with the entire proceeds from the sale by the Trust to the Company of its common securities (the "Common Securities") and will be used by the Trust to purchase the \$ _____ of _____% junior subordinated deferrable interest debentures (the "Subordinated Debentures") issued by the Company. The Preferred Securities and the Common Securities will be issued pursuant to the amended and restated declaration of trust of the Trust, dated as of _____, 199_ (the "Declaration"), among the Company, as Sponsor, John J. DeStefano and Andrea F. Bielsker (the "Regular Trustees"), The First National Bank of Chicago, a national banking association, as property trustee (the "Property Trustee"), and First Chicago Delaware Inc., a Delaware corporation (the "Delaware Trustee and, together with the Regular Trustees and the Property Trustee, the "Trustees"), and the holders from time to time of undivided beneficial interests in the assets of the Trust. The Subordinated Debentures will be issued pursuant to an indenture, dated as of _____, 199_ (the "Base Indenture"), between the Company and The First National Bank of Chicago, as trustee (the "Debt Trustee"), and a supplemental indenture to the Base Indenture, dated as of _____, 199_ (the "Supplemental Indenture," and together with the Base Indenture and any other amendments or supplements thereto, the "Indenture"), between the Company and the Debt Trustee.

Section 1. Representations and Warranties

(a) The Offerors jointly and severally represent and warrant to each Underwriter as of the date hereof as follows:

(i) The Registration Statement has become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement is currently in effect and no proceedings for that purpose are pending or threatened by the Commission. At the time the Registration Statement became effective and on the date hereof, the Registration Statement complied and complies in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and the Trust Indenture Act of 1939, as amended (the "1939 Act") and the rules and regulations of the Commission under the 1939 Act (the "1939 Act Regulations"), and did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus, (unless the term "Prospectus" refers to a prospectus that has been provided to the Underwriters by the Trust for use in connection with the offering of the Securities and that differs from the Prospectus, including the Prospectus Supplement, in which case, at the time it is first provided to the Underwriters for such use) at the Closing Time referred to in Section 2 hereof will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Offerors in writing by any Underwriter through Merrill Lynch expressly for use in the Registration Statement or Prospectus.

(ii) The documents incorporated or deemed to

be incorporated by reference in the Registration Statement or Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1933 Act, the 1933 Act Regulations, the 1934 Act and the rules and regulations of the Commission under the 1934 Act (the "1934 Act Regulations"), as applicable, and, at the time the Registration Statement and any amendments thereto became effective and at the Closing Time, did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Offerors in writing by any Underwriter through Merrill Lynch expressly for use in the Registration Statement or Prospectus.

(iii) The accountants who certified the financial statements and supporting schedules included in the Registration Statement are independent public accountants as required by the 1933 Act and the 1933 Act Regulations.

(iv) The financial statements included in the Registration Statement and the Prospectus present fairly the financial position of the Company and its consolidated subsidiaries as at the dates indicated and the results of their operations for the periods specified; except as otherwise stated in the Registration Statement, said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis; the Company's ratios of earnings to fixed charges and ratios of earnings to fixed charges and preferred dividend requirements (actual and, if any, pro forma) included in the Prospectus under the caption "Ratios of Earnings to Fixed Charges and Earnings to Fixed Charges and Preferred Dividend Requirements" and in Exhibit 12 to the Registration Statement have been calculated in compliance with Item 503(d) of Regulation S-K of the Commission and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein; and the selected financial data included or incorporated by reference in the Prospectus present fairly the information shown therein and have been compiled on a basis consistent with that of the audited consolidated financial statements included or incorporated by reference in the Registration Statement. [The Prospectus contains all pro forma financial statements and other pro forma financial information required to be included therein and such information presents fairly the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements, have been properly compiled on the pro forma bases described therein, and, in the opinion of the Company, the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions or circumstances referred to therein.]

(v) Each of the Offerors meets, and at the respective times of commencement and consummation of the offering of the Securities will meet, the registrant requirements for use of Form S-3 under the 1933 Act and the 1933 Act Regulations.

(vi) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries, considered as one enterprise or of the Trust, whether or not arising in the ordinary course of business, and (B) there have been no transactions entered into by the Trust or by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Trust or the Company, considered as one enterprise.

(vii) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Missouri with corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and Prospectus, to enter into and perform its obligations under this Agreement, the Declaration, the Indenture and the Preferred

Securities Guarantee Agreement and to purchase, own, and hold the Common Securities issued by the Trust; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company.

(viii) The Company has no significant subsidiaries, as "significant subsidiary" is defined in Rule 405 of Regulation C of the 1933 Act Regulations.

(ix) The Trust has been duly created and is validly existing in good standing as a business trust under the Delaware Act with the power and authority to own property and to conduct its business as described in the Registration Statement and Prospectus and to enter into and perform its obligations under this Agreement, the Preferred Securities, the Common Securities and the Declaration; the Trust is duly qualified to transact business as a foreign company and is in good standing in any other jurisdiction in which such qualification is necessary, except to the extent that the failure to so qualify or be in good standing would not have a material adverse effect on the Trust; the Trust is not a party to or otherwise bound by any agreement other than those described in the Prospectus; the Trust is and will be classified for United States federal income tax purposes as a grantor trust and not as an association taxable as a corporation; and the Trust is and will be treated as a consolidated subsidiary of the Company pursuant to generally accepted accounting principles.

(x) The Common Securities have been duly authorized by the Declaration and, when issued and delivered by the Trust to the Company against payment therefor as described in the Registration Statement and Prospectus, will be validly issued and (subject to the terms of the Declaration) fully paid and non-assessable undivided beneficial interests in the assets of the Trust and will conform to all statements relating thereto contained in the Prospectus; the issuance of the Common Securities is not subject to preemptive or other similar rights; and at the Closing Time all of the issued and outstanding Common Securities of the Trust will be directly owned by the Company free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(xi) This Agreement has been duly authorized, executed and delivered by each of the Offerors.

(xii) The Declaration has been duly authorized by the Company and, at the Closing Time, will have been duly executed and delivered by the Company and the Regular Trustees, and assuming due authorization, execution and delivery of the Declaration by the Property Trustee and the Delaware Trustee, the Declaration will, at the Closing Time, be a valid and binding obligation of the Company and the Regular Trustees, enforceable against the Company and the Regular Trustees in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors rights generally or by general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity) (the "Bankruptcy Exceptions") and will conform to all statements relating thereto in the Prospectus; and the Declaration has been duly qualified under the 1939 Act.

(xiii) The Preferred Securities Guarantee Agreement has been duly authorized by the Company and, at the Closing Time will have been duly executed and delivered by the Company, and, assuming due authorization, execution and delivery of the Preferred Securities Guarantee by the Guarantee Trustee, will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions, and the Preferred Security Guarantee and the Preferred Securities Guarantee Agreement will conform to all statements relating thereto contained in the Prospectus; and the Preferred Securities Guarantee Agreement, has been duly qualified under the 1939 Act.

(xiv) The Preferred Securities have been duly authorized by the Declaration and, when issued and delivered pursuant to this Agreement against payment of

the consideration set forth in Section 2, will be validly issued and (subject to the terms of the Declaration) fully paid and non-assessable undivided beneficial interests in the Trust, will be entitled to the benefits of the Declaration and will conform to all statements relating thereto contained in the Prospectus and such description conforms to the provisions of the Declaration; the issuance of the Preferred Securities is not subject to preemptive or other similar rights; and (subject to the terms of the Declaration) holders of Preferred Securities will be entitled to the same limitation of personal liability under Delaware law as extended to stockholders of private corporations for profit.

(xv) The Indenture has been duly authorized by the Company and, at the Closing Time will have been duly executed and delivered by the Company, will constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions; the Indenture will conform to all statements relating thereto contained in the Prospectus; and the Indenture has been duly qualified under the 1939 Act.

(xvi) The Subordinated Debentures have been duly authorized by the Company and, at the Closing Time, will have been duly executed by the Company and, when authenticated in the manner provided for in the Indenture and delivered against payment therefor as described in the Prospectus, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions, will be in the form contemplated by, and entitled to the benefits of, the Indenture and will conform to all statements relating thereto in the Prospectus.

(xvii) The Company's obligations under the Preferred Securities Guarantee are subordinate and junior in right of payment to all liabilities of the Company and are pari passu with the most senior preferred stock issued by the Company.

(xviii) The Subordinated Debentures are subordinated and junior in right of payment to all "senior indebtedness" (as defined in the Supplemental Indenture) of the Company.

(xix) Each of the Regular Trustees of the Trust is an employee of the Company and has been duly authorized by the Company to execute and deliver the Declaration; the Declaration has been duly executed and delivered by the Regular Trustees and is a valid and binding obligation of each Regular Trustee, enforceable against such Regular Trustee in accordance with its terms except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions.

(xx) None of the Offerors is, and following the consummation of the transactions contemplated hereby will be, an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act").

(xxi) The Company is not in violation of its charter or by-laws; the Trust is not in violation of the Declaration or its certificate of trust filed with the State of Delaware on _____, 1996 (the "Certificate of Trust"); neither the Company nor the Trust is in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or the Trust is a party or by which it or either of them may be bound, or to which any of the property or assets of the Company or the Trust is subject, except for such defaults that would not have a material adverse effect on the condition (financial or otherwise), earnings, business affairs or business prospects of the Trust or the Company; and the execution, delivery and performance of this Agreement, the Declaration, the Preferred Securities, the Common Securities, the Indenture, the Subordinated Debentures, the Preferred Securities Guarantee Agreement and the Preferred Securities Guarantee and the consummation of the transactions contemplated herein and therein and compliance by the Offerors with their respective obligations hereunder and thereunder have been duly authorized by all necessary action (corporate or otherwise) on the part of the Offerors and do not and will not result in any violation of the charter or by-laws of the Company, or the Declaration or Certificate of Trust and do not and

will not conflict with, or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Trust or the Company under (A) any contract, indenture, mortgage, loan agreement, note, lease or other agreement or instrument to which the Trust or the Company is a party or by which it may be bound or to which any of its properties may be subject (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not have a material adverse effect on the condition (financial or otherwise), earnings, business affairs or business prospects of the Trust or the Company), or (B) any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental instrumentality or court, domestic or foreign, or any regulatory body or administrative agency or other governmental body having jurisdiction over the Trust or the Company or any of their respective properties.

(xxii) Except as disclosed in the Prospectus, there is no action, suit or proceeding before or by any government, governmental instrumentality or court, domestic or foreign, now pending or, to the knowledge of the Trust or the Company, threatened against or affecting the Trust or the Company that is required to be disclosed in the Prospectus or that could result in any material adverse change in the condition (financial or otherwise), earnings, business affairs or business prospects of the Trust or the Company, or that could materially and adversely affect the properties or assets of the Trust or the Company, or that could adversely affect the consummation of the transactions contemplated in this Agreement; the aggregate of all pending legal or governmental proceedings that are not described in the Prospectus to which the Trust or the Company is a party or which affect any of their respective properties, including ordinary routine litigation incidental to the business of the Trust or the Company, would not have a material adverse effect on the condition (financial or otherwise), earnings, business affairs or business prospects of the Trust or the Company, considered as one enterprise; and there are no contracts or documents of the Company or the Trust that are required to be filed as exhibits to the Registration Statement by the 1933 Act or by the 1933 Act Regulations that have not been so filed.

(xxiii) The Company has made all necessary filings and obtained all necessary consents or approvals from the Missouri Public Service Commission in connection with the issuance and sale of or the issuance and sale of the Subordinated Debentures or the Preferred Securities Guarantee hereunder, and no consent, approval, authorization, order or decree of any other court or governmental agency or body is required for the consummation by the Company of the transactions contemplated by this Agreement or the issuance and sale of the Common Securities or the offering of the Preferred Securities, except such as may be required under the 1933 Act, the 1939 Act, the 1933 Act Regulations or state securities ("Blue Sky") laws.

(xxiv) The Company is a public utility duly authorized by its Restated Articles of Consolidation, as amended, under which it was organized to carry on the business in which it is engaged as set forth in the Prospectus; and the Company has the legal right to function and operate as an electric utility in the States of Missouri and Kansas.

(xxv) The Company holds valid and subsisting franchises, licenses and permits authorizing it to carry on the respective utility businesses in which it is engaged in the territory from which substantially all of its gross operating revenue is derived.

(b) Any certificate signed by any officer of the Company delivered to the Representative or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

Section 2. Sale and Delivery to Underwriters; Closing.

(a) On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Trust agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Trust, at the price \$_____ per security, the number of Preferred Securities set forth in Schedule A opposite the name of such Underwriter, plus any additional

number of Preferred Securities that such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

The initial public offering price per Preferred Security shall be \$_____. As compensation to the Underwriters for their commitments hereunder and in view of the fact that the proceeds of the sale of the Preferred Securities will be used to purchase the Subordinated Debentures of the Company, the Company hereby agrees to pay at the Closing Time to the Representative, for the accounts of the several Underwriters, a commission of \$_____ per Preferred Security; provided, however, that the commission per Preferred Security for sales of 10,000 or more Preferred Securities to a single purchaser shall be \$_____.

(b) Payment of the purchase price for the Preferred Securities shall be made at the office of Sidley & Austin, 875 Third Avenue, New York, New York 10022, or at such other place as shall be agreed upon by the Representative and the Trust, at 10:00 A.M. New York time on the third business day (unless postponed in accordance with the provisions of Section 10) after the date hereof, or such other time not later than ten business days after such date as shall be agreed upon by the Representative, the Trust, and the Company (such time and date of payment and delivery being herein called "Closing Time"). Payment shall be made to the Trust by wire transfer of same day funds to an account designated by the Trust, against delivery to the Representative for the respective accounts of the Underwriters of certificates for the Preferred Securities to be purchased by them. At the Closing Time the Trust shall deliver the Preferred Securities to the Representative through the facility of The Depository Trust Company for the account of each Underwriter against payment to or upon the order of the Trust of the purchase price. It is understood that each Underwriter has authorized the Representative, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Preferred Securities which it has agreed to purchase. Merrill Lynch, individually and not as Representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Preferred Securities to be purchased by any Underwriter whose check has not been received by the Closing Time, but such payment shall not relieve such Underwriter from its obligations hereunder.

At the Closing Time, the Company will pay, or cause to be paid, the commission payable at such time to the Underwriters under Section 2 hereof by wire transfer of same day funds to an account designated by the Representative.

Section 3. Covenants of the Offerors. Each of the Offerors jointly and severally covenant with each Underwriter as follows:

(a) The Offerors will notify the Representative immediately, and confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose. The Offerors will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) The Offerors will give the Representative notice of their intention to file or prepare (i) any amendment to the Registration Statement or (ii) any amendment or supplement to the Prospectus (including any revised prospectus which the Offerors propose for use by the Underwriters in connection with the offering of the Preferred Securities which differs from the prospectus on file at the Commission at the date hereof, whether or not such revised prospectus is required to be filed pursuant to Rule 424(b) of the 1933 Act Regulations), and will furnish the Representative with copies of any such amendment or supplement a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file any such amendment or supplement or use any such prospectus to which the Representative or counsel for the Underwriters shall reasonably object. Subject to the foregoing, the Offerors will promptly prepare the supplement to Prospectus Supplement to reflect the terms of the Preferred Securities and the terms of the offering. The Offerors will file the Prospectus Supplement pursuant to Rule 424(b)

under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement.

(c) The Offerors will deliver to the Representative as many signed copies of the Registration Statement as reasonably requested (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) as the Representative may reasonably request and will also deliver to the Representative a conformed copy of the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters.

(d) The Offerors will furnish to each Underwriter, from time to time during the period when the Prospectus is required to be delivered under the 1933 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request for the purposes contemplated by the 1933 Act or the respective applicable rules and regulations of the Commission thereunder.

(e) If at any time when the Prospectus is required by the 1933 Act to be delivered in connection with sales of the Preferred Securities, any event shall occur as a result of which it is necessary, in the opinion of counsel for the Underwriters or counsel to the Company and the Trust, to amend or supplement the Prospectus in order to make the Prospectus not misleading in the light of the circumstances existing at the time it is to be delivered to a purchaser, or if it shall be necessary at any such time to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, the Offerors will promptly prepare and file with the Commission subject to paragraph (b) above such amendment or supplement as may be necessary to correct such untrue statement or omission or to make the Registration Statement or the Prospectus comply with such requirements; and the Offerors will furnish to the Underwriters a reasonable number of copies of such amendment or supplement.

(f) The Offerors will endeavor, in cooperation with the Underwriters, to qualify the Preferred Securities (and the Preferred Securities Guarantee) and the Subordinated Debentures for offering and sale under the applicable securities laws of such states and the other jurisdictions of the United States as the Representative may designate; provided, however, that none of the Offerors shall be obligated to qualify as a foreign corporation in any jurisdiction in which it is not so qualified.

(g) The Trust will make generally available to its security holders and to the Representative as soon as practicable but not later than 90 days after the close of the period covered thereby, an earnings statement of the Company (in form complying with the provisions of Rule 158 of the 1933 Act Regulations) covering a twelve-month period beginning not later than the first day of the Trust's fiscal quarter next following the "effective date" (as defined in said Rule 158) of the Registration Statement.

(h) For a period of five years after the Closing Time, the Company will furnish to the Representative and, upon request, to each Underwriter, copies of all annual reports, quarterly reports and current reports filed with the Commission on Forms 10-K, 10-Q and 8-K, or such other similar forms as may be designated by the Commission, and such other documents, reports and information as shall be furnished by the Company to its stockholders or security holders generally.

(i) The Offerors will use best efforts to effect the listing of the Preferred Securities (including the Preferred Securities Guarantee with respect thereto) on the New York Stock Exchange; if the Preferred Securities are exchanged for Subordinated Debentures, the Company will use its best efforts to effect the listing of the Subordinated Debentures on the exchange on which the Preferred Securities were then listed.

(j) During a period of 30 days from the date hereof, neither the Trust nor the Company will, without the Representative's prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any Preferred Securities, any security convertible into or exchangeable into or exercisable for Preferred Securities or the Subordinated Debentures or any debt securities substantially similar to the Subordinated Debentures or equity securities substantially similar to the Preferred Securities (except for the Subordinated Debentures and the Preferred Securities issued pursuant to this Agreement).

Section 4. Payment of Expenses. The Company will pay all expenses incident to the performance of each Offeror's obligations under this Agreement, including, but not limited to, (i) the printing and filing of the Registration Statement as originally filed and of each amendment thereto, (ii) the printing of this Agreement, (iii) the preparation, issuance and delivery of the certificates for the Preferred Securities to the Underwriters, (iv) the fees and disbursements of the Company's and the Trust's counsel and accountants, (v) the qualification of the Preferred Securities, the Preferred Securities Guarantee and the Subordinated Debentures under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of any blue sky survey and any legal investment survey, (vi) the printing and delivery to the Underwriters of copies of the Registration Statement as originally filed and of each amendment thereto, of each preliminary prospectus, and of the Prospectus and any amendments or supplements thereto, (vii) the printing and delivery to the Underwriters of copies of any blue sky survey and any legal investment survey, (viii) the fees and expenses, if any, incurred with respect to any filing with the National Association of Securities Dealers, Inc. (ix) the fees and expenses of the Debt Trustee, including the fees and disbursements of counsel for the Debt Trustee in connection with the Indenture and the Subordinated Debentures; (x) the fees and expenses of the Property Trustee, the Delaware Trustee and the Guarantee Trustee, including the fees and disbursements of counsel for the Property Trustee in connection with the Declaration and the Certificate of Trust; (xi) any fees payable in connection with the rating of the Preferred Securities and Subordinated Debentures, (xii) the fees and expenses incurred in connection with the listing of the Preferred Securities (and the related Preferred Securities Guarantee) and, if applicable, the Subordinated Debentures on the New York Stock Exchange, (xiii) the cost and charges of any transfer agent or registrar, (xiv) the cost of qualifying the Preferred Securities with The Depository Trust Company, and (xv) fees and disbursements of Sidley & Austin, counsel for the Underwriters, incurred through the date on which the Registration Statement is declared effective under the 1933 Act, or the date on which any post-effective amendment to the Registration Statement is declared so effective prior to the date of the Prospectus Supplement, but the Underwriters shall pay all fees and expenses of such counsel incurred after such date, and all transfer taxes, if any, on the resale of Preferred Securities and any advertising expenses connected with any offers they may make to sell Preferred Securities.

If this Agreement is terminated by the Representative in accordance with the provisions of Section 5 or Section 9 hereof, the Company shall reimburse the Underwriters for all of their reasonable out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

Section 5. Conditions of Underwriters' Obligations. The obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties of the Offerors herein contained, to the performance by the Offerors of their obligations hereunder, and to the following further conditions:

(a) At Closing Time no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission. The Prospectus Supplement shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the 1933 Act Regulations and in accordance with Section 3(b) and prior to Closing Time the Offerors shall have provided evidence satisfactory to the Representative of such timely filing.

(b) At Closing Time the Representative shall have received:

(1) The favorable opinion, dated as of Closing Time, of Jeanie Sell Latz, Senior Vice President and Chief Legal Officer of the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

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

(ii) The Company is a public utility duly authorized by its Restated Articles of Consolidation, as amended, under which it was organized to carry on the business in which it is engaged as set forth in the Prospectus; and the Company has the legal right to function and operate as an electric utility in the States of Missouri and Kansas;

(iii) The statements in the Prospectus under the captions "Risk Factors," "Description of the Preferred Securities," "Description of the Preferred Securities Guarantee," "The Trusts," "Description of the Subordinated Debentures," "Effect of Obligations under the Subordinated Debentures and the Preferred Securities Guarantee," insofar as they constitute matters of law, summaries of legal matters, documents or proceedings, or legal conclusions, have been reviewed by such counsel and fairly present the information disclosed therein in all material respects.

(iv) The Company holds valid and subsisting franchises, licenses and permits authorizing it to carry on the respective utility businesses in which it is engaged in the territory from which substantially all of its gross operating revenue is derived.

(v) The Registration Statement is effective under the 1933 Act and, to the best of such counsel's knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act, and no proceedings therefor have been initiated or threatened by the Commission.

(vi) The Registration Statement and the Prospectus and each amendment or supplement thereto (in each case, other than the financial statements and the notes thereto, the financial schedules, and any other financial and statistical data included or incorporated by reference therein, as to which such counsel need express no belief), excluding the documents incorporated by reference therein, complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations; and the Declaration, the Indenture and the Preferred Securities Guarantee Agreement filed with the Commission as part of the Registration Statement complied as to form in all material respects with the requirements of the 1939 Act and the 1939 Act Regulations.

(vii) Each of the documents incorporated by reference in the Registration Statement or the Prospectus at the time they were filed or last amended (other than the financial statements and the notes thereto, the financial schedules, and any other financial or statistical data included or incorporated by reference therein, as to which such counsel need express no belief) complied as to form in all material respects with the requirements of the 1933 Act, the 1933 Act Regulations, the 1934 Act, and the 1934 Act Regulations, as applicable.

(viii) Each of the Offerors meets the registrant requirements for use of Form S-3 under the 1933 Act Regulations.

(ix) The Common Securities, the Preferred Securities, the Subordinated Debentures, the Preferred Securities Guarantee, the Declaration, the Indenture and the Preferred Securities Guarantee Agreement conform in all material respects to all statements relating thereto contained in the Prospectus.

(x) To the best of such counsel's knowledge, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments or documents required to be described

or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, the descriptions thereof or references thereto are correct, and no default exists in the due performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instruments described, referred to, filed or incorporated by reference.

(xi) All of the issued and outstanding Common Securities of the Trust are directly owned by the Company free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equitable right.

(xii) This Agreement has been duly authorized, executed and delivered by each of the Trust and the Company.

(xiii) The Declaration has been duly qualified under the 1939 Act.

(xiv) The Preferred Guarantee Agreement has been duly authorized, executed and delivered by the Company and, assuming it is duly authorized, executed, and delivered by the Guarantee Trustee, is a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except to the extent that enforcement thereof may be limited by Bankruptcy Exceptions; and the Preferred Securities Guarantee Agreement has been duly qualified under the 1939 Act.

(xv) The Indenture has been duly executed and delivered by the Company and, assuming due authorization, execution, and delivery thereof by the Debt Trustee, is a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions; and the Indenture has been duly qualified under the 1939 Act.

(xvi) The Subordinated Debentures are in the form contemplated by the Indenture, have been duly authorized, executed and delivered by the Company and, when authenticated by the Debt Trustee in the manner provided for in the Indenture and delivered against payment therefor, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except to the extent that enforcement thereof may be limited by the Bankruptcy Exceptions.

(xvii) The Subordinated Debentures are subordinate and junior in right of payment to all "senior indebtedness" (as defined in the Supplemental Indenture) of the Company.

(xviii) The Company's obligations under the Preferred Securities Guarantee are subordinate and junior in right of payment to all liabilities of the Company and are pari passu with the most senior preferred stock issued by the Company.

(xix) Neither the Company nor the Trust is an "investment company" or a company "controlled" by an "investment company" within the meaning of the 1940 Act.

(xx) The Declaration has been duly authorized, executed and delivered by the Company and each of the Regular Trustees and constitutes a valid and binding obligation of the Company and each of the Regular Trustees, enforceable against the Company and each of the Regular Trustees in accordance with its terms, except to the extent that the enforcement thereof may be limited by the Bankruptcy Exceptions.

(xxi) There are no legal or governmental proceedings pending or, to the best of such counsel's knowledge, threatened which are required to be disclosed in the Prospectus, other than those disclosed therein, and all pending legal or governmental proceedings to which the Company is a party or of which any of its property is the subject which are not described in the Registration Statement, including ordinary routine litigation incidental to the business of the

Company, are, considered in the aggregate, not material to the financial condition of the Company.

(xxii) The Company has made all necessary filings and obtained all necessary consents or approvals from the Missouri Public Service Commission in connection with the issuance and sale of the Subordinated Debentures or the Preferred Securities Guarantee pursuant to this Agreement, and no consent, approval, authorization, order or decree of any other court or governmental agency or body is required for the consummation by the Company of the transactions contemplated by this Agreement or for the issuance and sale of the Common Securities or the offering of the Preferred Securities, except such as may be required under the 1933 Act, the 1939 Act, the 1933 Act Regulations or Blue Sky laws.

(xxiii) To the best of such counsel's knowledge, the Company is not in violation of its Restated Articles of Consolidation, as amended, or its by-laws or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note or lease to which it is a party or by which it or any of its properties may be bound. The execution, delivery and performance of this Agreement, the Declaration, the Preferred Securities, the Common Securities, the Indenture, the Subordinated Debentures, the Preferred Securities Guarantee Agreement, and the Preferred Securities Guarantee and the consummation of the transactions contemplated herein and therein, and the compliance by each of the Offerors with their respective obligations hereunder, will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument known to such counsel and 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 is subject, or any law, administrative regulation or administrative or court decree known to such counsel to be applicable to the Company of any court or governmental agency, authority or body or any arbitrator having jurisdiction over the Company; nor will such action result in any violation of the provisions of the Restated Articles of Consolidation, as amended, or by-laws of the Company.

(xxiv) The Declaration constitutes a valid and binding obligation of the Company and the Regular Trustees and is enforceable against the Company and the Regular Trustee in accordance with its terms, except to the extent that the enforcement thereof may be limited by the Bankruptcy Exceptions.

Such letter shall additionally state that nothing has come to the attention of such counsel that would lead such counsel to believe that the Registration Statement, at the time it became effective, and if an amendment to the Registration Statement or an Annual Report on Form 10-K has been filed by the Company with the Commission subsequent to the effectiveness of the Registration Statement, then at the time such amendment became effective or at the time of the most recent such filing, and at the date hereof, contains or contained an untrue statement of a material fact or omits or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus as amended or supplemented at the time it was filed or mailed for filing pursuant to Rule 424(b) under the 1933 Act contained or as amended or supplemented at the Closing Time contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Such opinion shall be to such further effect with respect to other legal matters relating to this Agreement and the sale of the Securities hereunder as counsel for the Underwriters may reasonably request. In giving such opinion, such counsel may rely, as to all matters governed by the laws of jurisdictions

other than the law of the State of Missouri, the federal law of the United States and the General Corporation Law and the Business Trust Act of the State of Delaware, upon opinions of other counsel, who shall be counsel satisfactory to counsel for the Underwriters, in which case the opinion shall state that such counsel believe that you and counsel for the Underwriters are entitled to so rely. Such counsel may also state that, insofar as such opinion involves factual matters, such counsel has relied to the extent such counsel deems proper, upon representations of officers of the Company and certificates of public officials; provided that such certificates have been delivered to the Underwriters.

(2) The favorable opinion, dated as of Closing Time, of Pepper, Hamilton & Scheetz, special counsel to the Offerors, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

(i) The Trust has been duly created and is validly existing in good standing as a business trust under the Delaware Act; all filings required under the laws of the State of Delaware with respect to the formation and valid existence of the Trust as a business trust have been made; the Trust has all necessary power and authority to own property and to conduct its business as described in the Registration Statement and the Prospectus and to enter into and perform its obligations under this Agreement, the Preferred Securities and the Common Securities; the Trust is duly qualified and in good standing as a foreign company in any other jurisdiction in which such qualification is necessary, except to the extent that the failure to so qualify or be in good standing would not have a material adverse effect on the Trust; and the Trust is not a party to or otherwise bound by any agreement known to such counsel other than those described in the Prospectus.

(ii) The Common Securities have been duly authorized for issuance and, when issued, delivered and paid for in accordance with the Declaration and as described in the Prospectus, will be validly issued and fully paid and non-assessable undivided beneficial interests in the assets of the Trust, and the issuance of the Common Securities is not subject to preemptive or other similar rights.

(iii) The Preferred Securities have been duly authorized for issuance and, when issued, delivered and paid for in accordance with this Agreement, will be validly issued, fully paid and non-assessable undivided beneficial interests in the assets of the Trust; the holders of the Preferred Securities will be entitled to the same limitation of personal liability under Delaware law as is extended to stockholders of private corporations for profit; and the issuance of the preferred Securities is not subject to preemptive or other similar rights. Such counsel may note that the Preferred Securities holders may be obligated, pursuant to the Declaration, to (a) provide indemnity and/or security in connection with and pay taxes or governmental charges arising from transfers of Preferred Securities and the issuance of replacement Preferred Securities, and (b) provide security and indemnity in connection with requests of or directions to the Property Trustee to exercise its rights and powers under the Declaration.

(iv) The execution and delivery by the Trust of this Agreement and the performance by the Trust of its obligations hereunder have been duly authorized by all necessary action on the part of the Trust.

(v) The issuance and sale by the Trust of the Preferred Securities and the Common Securities, the purchase by the Trust of the Subordinated Debentures, the execution, delivery and performance by the Trust of this Agreement, the consummation by the Trust of the transactions contemplated hereby and compliance by the Trust with its obligations hereunder will not violate (A) any of the provisions of the Certificate of Trust or the Declaration or (B) any applicable Delaware law or administrative regulation.

(3) The favorable opinion, dated as of Closing Time, of the Law Department of The First

National Bank of Chicago, counsel for the Property Trustee and the Guarantee Trustee, in form and substance satisfactory to counsel for the Underwriters to the effect that:

(i) The First National Bank of Chicago is a national association with trust powers, duly organized, validly existing and in good standing under the laws of the United States with all necessary power and authority to execute and deliver, and to carry out and perform its obligations under the terms of the Declaration and the Preferred Securities Guarantee Agreement.

(ii) The execution, delivery and performance by the Property Trustee of the Declaration and the execution, delivery and performance by the Guarantee Trustee of the Preferred Securities Guarantee Agreement have been duly authorized by all necessary corporate action on the part of the Property Trustee and the Guarantee Trustee, respectively. The Declaration and the Preferred Securities Guarantee Agreement have been duly executed and delivered by the Property Trustee and the Guarantee Trustee, respectively, and constitute the legal, valid and binding obligations of the Property Trustee and the Guarantee Trustee, respectively, enforceable against the Property Trustee and the Guarantee Trustee, respectively, in accordance with their terms, except as enforcement thereof may be limited by the Bankruptcy Exceptions.

(iii) The execution, delivery and performance of the Declaration and the Preferred Securities Guarantee Agreement by the Property Trustee and the Guarantee Trustee, respectively, do not conflict with or constitute a breach of the Articles of Organization or Bylaws of the Property Trustee and the Guarantee Trustee, respectively.

(iv) No consent, approval or authorization of, or registration with or notice to, any federal banking authority is required for the execution, delivery or performance by the Property Trustee and the Guarantee Trustee of the Declaration and the Preferred Securities Guarantee Agreement.

(v) The Statements of Eligibility on Forms T-1 with respect to each of the Property Trustee, the Debt Trustee, and the Guarantee Trustee filed with the Commission as part of the Registration Statement complied as to form in all material respects with the requirements of the 1939 Act and the 1939 Act Regulations.

(vi) The Declaration constitutes a valid and binding obligation of the Property Trustee and the Delaware Trustee and is enforceable against the Property Trustee and the Delaware Trustee in accordance with its terms, except to the extent that the enforcement thereof may be limited by the Bankruptcy Exceptions.

(4) The opinion of Sidley & Austin, as counsel for the Underwriters, to the Representative at the Closing Time with respect to the validity of the Securities and with respect to the Registration Statement, the Prospectus, and other related matters as the Representative may reasonably require and including that:

(i) under current law, for United States federal income tax purposes (A) the Subordinated Debentures will constitute indebtedness of the Company and (B) the interest on the Subordinated Debentures will be deductible by the Company on an economic accrual basis in accordance with section 163(e) of the Internal Revenue Code of 1986, as amended, and Treasury Regulation Section 1.163-7, subject to any applicable limitations on the Company's ability to deduct interest on any of its indebtedness;

(ii) under current law, the Trust will be classified for United States federal income tax purposes as a grantor trust and not as an association taxable as a corporation; accordingly, for United States federal income tax purposes, each holder of Preferred Securities generally will be considered the owner of an undivided interest in the Subordinated Debentures, and each holder will be required to include in its gross income any original issue discount accrued with respect to its allocable share of the Subordinated Debentures; and.

(iii) the discussion set forth in the Prospectus Supplement under the caption "United States Federal Income Taxation" is a fair and accurate summary of the matters addressed therein, based upon current law and the assumptions stated or referred to therein.

(c) At Closing Time, there shall not have been since the date hereof or since the respective dates as of which information is given in the Registration Statement and the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Trust or the Company considered as one enterprise, whether or not arising in the ordinary course of business, and the Representative shall have received a certificate of a Vice President of the Company and of the chief financial or chief accounting officer of the Company and a certificate of a Regular Trustee of the Trust, and dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1 hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Trust and the Company have complied with all agreements and satisfied all conditions on their part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been initiated or threatened by the Commission.

(d) The Representative shall have received from Coopers & Lybrand L.L.P. two letters, one dated as of the date hereof and delivered on such date and the other dated as of the Closing Time and delivered at such time, in form and substance satisfactory to the Representative, to the effect that:

(i) They are independent public accountants with respect to the Company within the meaning of the 1933 Act and the 1933 Act Regulations;

(ii) In their opinion, the financial statements and supporting schedule(s) of the Company audited by them and included or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations with respect to registration statements on Form S-3 and the 1934 Act and the 1934 Act Regulations;

(iii) They have performed specified procedures, not constituting an audit, including a reading of the latest available interim financial statements of the Company, a reading of the minute books of the Company since the end of the most recent fiscal year with respect to which an audit report has been issued, inquiries of and discussions with certain officials of the Company responsible for financial and accounting matters with respect to the unaudited consolidated financial statements included in the Registration Statement and Prospectus and the latest available interim unaudited financial statements of the Company, and such other inquiries and procedures as may be specified in such letter, and on the basis of such inquiries and procedures nothing came to their attention that caused them to believe that: (A) the unaudited consolidated financial statements of the Company included in the Registration Statement and Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the 1934 Act and the 1934 Act Regulations or were not fairly presented in conformity with generally accepted accounting principles in the United States applied on a basis substantially consistent with that of the audited financial statements included therein, or (B) at a specified date not more than five days prior to the date of such letter, there was any change in the capital stock or any increase in long-term debt of the Company or any decrease in the common shareholders' equity of the Company other than for the declaration of regular quarterly dividends, in each case as compared with the amounts shown on the most recent balance sheet of the Company included in the Registration Statement and Prospectus or, during the period from the date of such balance sheet to the date of such letter, there were any decreases, as compared with the corresponding period in the preceding year, in revenues or net income of the Company, except in each case as set forth in or contemplated by the Registration Statement and Prospectus or except for such exceptions (e.g. inability to determine such decreases because of insufficient accounting information available after the date of such most recent balance sheet) enumerated in such letter as shall have been agreed to by the Agents and the Company; and

(iv) In addition to the examination referred to in their report included or incorporated by reference in the Registration Statement and the Prospectus, and the limited procedures referred to in clause (iii) above, they have carried out certain other specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included or incorporated by reference in the Registration Statement and Prospectus and which are specified by the Representative, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company identified in such letter.

(e) At Closing Time, the Preferred Securities shall be rated in one of the four highest rating categories for long term debt ("Investment Grade") by any nationally recognized statistical rating agency, and the Trust shall have delivered to the Representative a letter, dated the Closing Time, from such nationally recognized statistical rating agency, or other evidence satisfactory to the Representative, confirming that the Preferred Securities and the Subordinated Debentures have Investment Grade ratings; and there shall not have occurred any decrease in the ratings of any of the securities of the Company or of the Preferred Securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act).

(f) At the Closing Time, the Preferred Securities shall have been approved for listing on the New York Stock Exchange upon notice of issuance.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representative by notice to the Offerors at any time at or prior to Closing Time, and such termination shall be without liability of any party to any other party except as provided in Section 4 and Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

Section 6. Indemnification.

(a) The Offerors agree to jointly and severally indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including the information deemed to be part of the Registration Statement pursuant to Rule 430A(b) of the 1933 Act Regulations, if applicable, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever as incurred (including, subject to Section 6(c) hereof, the fees and disbursements of counsel chosen by Merrill Lynch) reasonably incurred, in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Trust or the Company by any Underwriter through Merrill

Lynch expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto); and provided, further, that this indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Underwriter from whom the person asserting any such losses liabilities, claims, damages or expenses purchased Securities, or any person controlling such Underwriter, if the Offerors sustain the burden of proving that a copy of the Prospectus (as then amended or supplemented if the Company or the Trust shall have furnished any such amendments or supplements thereto), but excluding documents incorporated or deemed to be incorporated by reference, was not sent or given by or on behalf of such Underwriter to such person, if such is required by law, at or prior to the written confirmation of the sale of such Securities to such person and if the Prospectus (as so amended or supplemented, but excluding documents incorporated or deemed to be incorporated by reference therein) would have corrected the defect giving rise to such loss, liability, claim, damage or expense, it being understood that this proviso shall have no application if such defect shall have been corrected in a document which is incorporated or deemed to be incorporated by reference in the Prospectus.

(b) The Company agrees to indemnify the Trust against all loss, liability, claim, damage and expense whatsoever, as due from the Trust under Section 6(a) hereunder.

(c) Each Underwriter severally agrees to indemnify and hold harmless the Offerors, their directors, trustees, each of its officers who signed the Registration Statement, and each person, if any, who controls the Offerors within the meaning of Section 15 of the 1933 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Offerors by such Underwriter through Merrill Lynch expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(d) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a), counsel to the indemnified parties shall be selected by the Representative, and in the case of parties indemnified pursuant to Section 6(b), counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action, provided, however, that counsel to the indemnifying parties shall not (except with the consent of the indemnified parties) also be counsel to the indemnified parties. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(e) If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement

being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. Notwithstanding the immediately preceding sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, an indemnifying party shall not be liable for any settlement of the nature contemplated by Section 6(a) effected without its consent if such indemnifying party (i) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (ii) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

Section 7. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 6 hereof is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Offerors and the Underwriters shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Offerors and one or more of the Underwriters, as incurred, in such proportion represented by the percentage that the underwriting compensation paid by the Company appearing on the cover page of the Prospectus bears to the initial public offering price appearing thereon and the Offerors are responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as such Underwriter, and each director of the Company and each officer of the Company who signed the Registration Statement, each trustee of the Trust and each person, if any, who controls an Offeror within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as the Offerors.

Section 8. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement, or contained in certificates of officers or Trustees of the Offerors submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or controlling person, or by or on behalf of the Offerors and shall survive delivery of the Preferred Securities to the Underwriters.

Section 9. Termination of Agreement.

(a) The Representative may terminate this agreement, by notice to the Offerors, at any time at or prior to Closing Time (i) if there has been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Trust and the Company considered as one enterprise, whether or not arising in the ordinary course of business, (ii) if there has occurred any material adverse change in the financial markets in the United States or elsewhere or any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which is such as to make it, in the judgment of the Representative, impracticable to market the Preferred Securities or to enforce contracts for the sale of the Preferred Securities, (iii) if trading in any securities of the Company or the Preferred Securities has been suspended or materially limited by the Commission or the New York Stock Exchange, or if trading generally on the New York Stock Exchange has been suspended, limited or restricted or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by said exchange or by order of the Commission or any other governmental authority, (iv) if a banking moratorium has been declared by either Federal, New York or Delaware authorities, or (v) if there has been any decrease in the ratings of any of the securities of the Company or of the Preferred Securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the 1933 Act), or (v) if there shall have come to the attention of the Representative any facts that would cause the Representative to believe that the Prospectus, at the time it was required to be delivered to a purchaser of Securities, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statement therein, in light of the circumstances existing at the time of such delivery, not misleading.

(b) If this Agreement is terminated pursuant to

this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof and Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

Section 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at Closing Time to purchase the Preferred Securities that it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representative shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(a) if the number of Defaulted Securities does not exceed 10% of the Preferred Securities, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(b) if the number of Defaulted Securities exceeds 10% of the Preferred Securities, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement, either the Representative or the Offerors shall have the right to postpone the Closing Time for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Prospectus or in any other documents or arrangements.

Section 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunications. Notices to the Underwriters shall be directed to the Representative at Merrill Lynch World Headquarters, North Tower, World Financial Center, New York, New York 10281-1201, attention of _____; notices to the Trust and the Company shall be directed to them at 1201 Walnut, Kansas City, Missouri 64106, Attention: Treasurer.

Section 12. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Trust, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Trust and the Company and their respective successors and the controlling persons and officers, directors and trustees referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein or therein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters and the Trust and the Company and their respective successors, and said controlling persons and officers, directors and trustees and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

Section 13. Governing Law and Time. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made to and to be performed in said State. Except as otherwise set forth herein, specified times of day refer to New York City time.

Section 14. Counterparts. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding or our agreement, please sign and return to the Trust a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Trust and the Company in accordance with its terms.

Very Truly yours,

By _____
Title:

KCPL Financing _

By _____
Title: Trustee

By _____
Title: Trustee

CONFIRMED AND ACCEPTED,
as of the date first above written:

MERRILL LYNCH & CO.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated

By _____
Authorized Signatory

For itself and as Representative of the other
Underwriters named in Schedule A hereto.

SCHEDULE A

Name of Underwriter	Number of Securities
_____	_____

STATE OF DELAWARE
OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF BUSINESS TRUST REGISTRATION OF "KCPL FINANCING I", FILED IN THIS OFFICE ON THE ELEVENTH DAY OF DECEMBER, A.D. 1996, AT 12:20 O'CLOCK P.M.

[SEAL] /S/EDWARD J. FREEL
EDWARD J. FREEL, SECRETARY OF STATE

2693200 8100 AUTHENTICATION: 8233438
960362851 DATE: 12-11-96

CERTIFICATE OF TRUST
OF
KCPL FINANCING I

THIS CERTIFICATE OF TRUST of KCPL Financing I (the "Trust"), dated as of December 10, 1996, is being duly executed and filed by the undersigned, as trustees, to create a business trust under the Delaware Business Trust Act (12 Del. C. Section 3801, et seq.).

1. Name. The name of the business trust being created hereby is KCPL Financing I.
2. Delaware Trustee. The name and business address of the trustee of the Trust with a principal place of business in the State of Delaware are First Chicago Delaware Inc., 300 King Street, Wilmington, Delaware 19801.
3. Effective Date. This Certificate of Trust shall be effective as of its filing.

IN WITNESS WHEREOF, the undersigned, being the only trustees of the Trust, have executed this Certificate of Trust as of the date first above written.

FIRST CHICAGO DELAWARE INC., not in its individual capacity but solely as Trustee	ANDREA F. BIELSKER not in her individual capacity but solely as Trustee
By: /s/Steven M. Wagner Steven M. Wagner Vice President	By: /s/Andrea F. Bielsker

THE FIRST NATIONAL BANK OF
CHICAGO, not in its individual
capacity but solely as Trustee

By: /s/ John R. Prendiville
John R. Prendiville
Vice President

AMENDED AND RESTATED DECLARATION OF TRUST

KCPL FINANCING _

Dated as of _____, 199_

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CROSS-REFERENCE TABLE*

Section of Trust Indenture Act of 1939, as amended	Section of Declaration
310(a)	5.3(a)
310(b)	5.3(c)
310(c)	Inapplicable
311(c)	Inapplicable
312(a)	2.2(a)
312(b)	2.2(b)
313	2.3
314(a)	2.4
314(b)	Inapplicable
314(c)	2.5
314(d)	Inapplicable
314(f)	Inapplicable
315(a)	3.9(b)
315(b)	2.8
315(c)	3.9(a)
315(d)	3.9(a)
316(a)	Exhibit A, 2.6
316(c)	3.6(e)

* This Cross-Reference Table does not constitute part of the Declaration and shall not affect the interpretation of any of its terms or provisions.

AMENDED AND RESTATED DECLARATION OF TRUST
OF
KCPL FINANCING _

THIS AMENDED AND RESTATED DECLARATION OF TRUST ("Declaration"), dated and effective as of _____, 199_, by the Trustees (as defined herein), the Sponsor (as defined herein), and by the holders, from time to time, of undivided beneficial interests in the Trust to be issued pursuant to this Declaration;

W I T N E S S E T H:

WHEREAS, certain of the Trustees and the Sponsor have heretofore established a trust (the "Trust") under the Business Trust Act (as defined herein) pursuant to a Declaration of Trust dated December __, 1996 (the "Original Declaration") for the sole purpose of issuing and selling certain securities representing undivided beneficial interests in the assets of the Trust and investing the proceeds thereof in certain Subordinated Debentures of the Subordinated Debenture Issuer;

WHEREAS, all the Trustees and the Sponsor, by this Declaration, amend and restate each and every term and provision of the Original Declaration;

NOW, THEREFORE, it being the intention of the parties hereto to continue the Trust as a business trust under the Business Trust Act and that this Declaration constitute the governing instrument of such business trust, the Trustees declare that all assets contributed to the Trust will be held in trust for the benefit of the holders, from time to time, of the securities representing undivided beneficial interests in the assets of the Trust issued hereunder, subject to the provisions of this Declaration.

ARTICLE I
INTERPRETATION AND DEFINITIONS

SECTION 1.1. Definitions. Capitalized terms used in this Declaration but not defined in the preamble above have the respective meanings assigned to them in this Section 1.1. A term defined anywhere in this Declaration has the same meaning throughout. A term defined in the Trust Indenture Act has the same meaning when used in this Declaration unless otherwise defined in this Declaration or unless the context otherwise requires.

Affiliate:

The term "Affiliate" has the same meaning as given to that term in Rule 405 of the Securities Act or any successor rule thereunder.

Authorized Officer:

The term "Authorized Officer" of a Person means any Person that is authorized to bind such Person.

Book Entry Interest:

The term "Book Entry Interest" means a beneficial interest in a Global Certificate, ownership and transfers of which shall be maintained and made through book entries by a Clearing Agency as described in Section 9.4.

Business Day:

The term "Business Day" means any day other than a day on which banking institutions in Chicago, Illinois or New York, New York are authorized or required by law to close.

Business Trust Act:

The term "Business Trust Act" means Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. 3801 et seq., as it may be amended from time to time.

Certificate:

The term "Certificate" means a Common Security Certificate or a Preferred Security Certificate.

Clearing Agency:

The term "Clearing Agency" means an organization registered as a "Clearing Agency" pursuant to Section 17A of the Exchange Act that is acting as depository for the Preferred Securities and in whose name, or in the name of a nominee of that organization, shall be registered a Global Certificate and which shall undertake to effect book entry transfers and pledges of the Preferred Securities.

Clearing Agency Participant:

The term "Clearing Agency Participant" means a broker, dealer, bank, other financial institution or other Person for whom, from time to time, the Clearing Agency effects book entry transfers and pledges of securities deposited with the Clearing Agency.

Closing Date:

The term "Closing Date" means _____, 199_.

Code:

The term "Code" means the Internal Revenue Code of 1986.

Common Security:

The term "Common Security" has the meaning specified in Section 7.1.

Common Security Certificate:

The term "Common Security Certificate" means a definitive certificate in fully registered form representing a Common Security substantially in the form of Annex II to Exhibit A.

Covered Person:

The term "Covered Person" means:

(a) any officer, director, shareholder, partner, member, representative, employee or agent of:

(i) the Trust; or

(ii) the Trust's Affiliates; and

(b) any Holder of Securities.

Debenture Issuer:

The term "Debenture Issuer" means KCPL, in its capacity as the issuer of the Subordinated Debentures.

Debenture Trustee:

The term "Debenture Trustee" means The First National Bank of Chicago, as trustee under the Indenture, until a successor is appointed thereunder and thereafter means such successor trustee.

Delaware Trustee:

The term "Delaware Trustee" has the meaning set forth in Section 5.2.

Definitive Preferred Security Certificates:

The term "Definitive Preferred Security Certificates" has the meaning set forth in Section 9.4.

Direction:

The term "Direction" by a Person means a written direction signed:

(a) if the Person is a natural person, by that Person; or

(b) in any other case, in the name of such Person by one or more Authorized Officers of that Person.

Distribution:

The term "Distribution" means a distribution payable to Holders of Securities in accordance with Section 6.1.

DTC:

The term "DTC" means The Depository Trust Company, the initial Clearing Agency.

Event of Default:

The term "Event of Default" in respect of the Securities means an Indenture Default has occurred and is continuing in respect of the Subordinated Debentures.

Exchange Act:

The term "Exchange Act" means the Securities Exchange Act of 1934.

Global Certificate:

The term "Global Certificate" has the meaning set forth in Section 9.4.

Holder:

The term "Holder" means the Person in whose name a Certificate representing a Security is registered, such Person being a beneficial owner within the meaning of the Business Trust Act; provided, however, that in determining whether Holders of the requisite liquidation amount of Preferred Securities have voted on any matter provided for in this Declaration, then for the purpose of such determination only (and not for any other purpose hereunder), if the Preferred Securities remain in the form of one or more Global Certificates, the term "Holder" shall mean the holder of the Global Certificate acting at the direction of the Preferred Security Beneficial Owners.

Indemnified Person:

The term "Indemnified Person" means any Trustee, any Affiliate of any Trustee, or any officers, directors, shareholders, members, partners, employees, representatives or agents of any Trustee, or any employee or agent of the Trust or its Affiliates.

Indenture:

The term "Indenture" means the Indenture dated as of _____, 199_ between the Debenture Issuer and the Debenture Trustee, and any amendment thereto and any indenture supplemental thereto pursuant to which the Subordinated Debentures are to be issued.

Indenture Default:

The term "Indenture Default" means an "Event of Default" as such term is defined in the Indenture.

Investment Company:

The term "Investment Company" means an investment company as defined in the Investment Company Act.

Investment Company Act:

The term "Investment Company Act" means the Investment Company Act of 1940.

KCPL:

The term "KCPL" means Kansas City Power & Light Company, a Missouri corporation, or any successor entity in a merger or consolidation.

Legal Action:

The term "Legal Action" has the meaning set forth in Section 3.6(g).

Majority in liquidation amount of the Securities:

The term "Majority in liquidation amount of the Securities" means, except as provided in the terms of the Preferred Securities or the Trust Indenture Act, Holder(s) of outstanding Securities voting together as a single class or, as the context may require, Holder(s) of outstanding Preferred Securities or outstanding Common Securities voting separately as a class, representing more than 50% of the aggregate stated liquidation amount (including the stated amount that would be paid on redemption, liquidation or maturity, plus accrued and unpaid Distributions to the date upon which the voting percentages are determined) of all outstanding Securities of such class.

Officers' Certificate:

The term "Officers' Certificate" means, with respect to any Person, a certificate signed by two Authorized Officers of such Person. Any Officers' Certificate delivered with respect to compliance with a condition or covenant provided for in this Declaration shall include:

- (a) a statement that each such officer

signing the Certificate has read the covenant or condition and the definition(s) relating thereto;

(b) a brief statement of the nature and scope of the examination or investigation undertaken by each such officer in rendering the Certificate;

(c) a statement that each such officer has made such examination or investigation as, in such officer's opinion, is necessary to enable such officer to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether, in the opinion of each such officer, such condition or covenant has been complied with.

Paying Agent:

The term "Paying Agent" has the meaning specified in Section 3.8(i).

Person:

The term "Person" means any individual, corporation, partnership, limited liability company, joint venture, joint stock company, unincorporated association or government or any agency or political subdivision thereof, or any other entity of whatever nature.

Preferred Securities Guarantee:

The term "Preferred Securities Guarantee" means the Preferred Securities Guarantee Agreement to be dated as of _____, 199_ of the Sponsor in respect of the Preferred Securities in the form of Exhibit B.

Preferred Security:

The term "Preferred Security" has the meaning specified in Section 7.1.

Preferred Security Beneficial Owner:

The term "Preferred Security Beneficial Owner" means, with respect to a Book Entry Interest, a Person who is the beneficial owner of such Book Entry Interest, as reflected on the books of the Clearing Agency, or on the books of a Person maintaining an account with such Clearing Agency (directly as a Clearing Agency Participant or as an indirect participant, in each case in accordance with the rules of such Clearing Agency).

Preferred Security Certificate:

The term "Preferred Security Certificate" means a certificate representing a Preferred Security substantially in the form of Annex I to Exhibit A.

Property Trustee:

The term "Property Trustee" means the Trustee meeting the eligibility requirements set forth in Section 5.3.

Property Trustee Account:

The term "Property Trustee Account" has the meaning set forth in Section 3.8(c)(i).

Quorum:

The term "Quorum" means a majority of the Regular Trustees or, if there are only two Regular Trustees, both of them.

Regular Trustee:

The term "Regular Trustee" means any Trustee other than the Property Trustee and the Delaware Trustee.

Related Party:

The term "Related Party" means, with respect to the Sponsor, any direct or indirect wholly owned subsidiary of the Sponsor or any other Person which owns, directly or indirectly, 100% of the outstanding voting securities of the Sponsor.

Responsible Officer:

The term "Responsible Officer", when used with respect to the Property Trustee, means the chairman of the board of directors, the President, any Vice President, the Secretary, the Treasurer, any trust officer or, any

corporate trust officer or any other officer or assistant officer of the Property Trustee customarily performing functions similar to those performed by any of the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of that officer's knowledge of and familiarity with the particular subject.

Rule 3a-5:

The term "Rule 3a-5" means Rule 3a-5 under the Investment Company Act.

Securities:

The term "Securities" mean the Common Securities and the Preferred Securities.

Securities Act:

The term "Securities Act" means the Securities Act of 1933, as amended.

66-2/3% in liquidation amount of the Securities:

The term "66-2/3% in liquidation amount of the Securities" means, except as provided in the terms of the Preferred Securities or the Trust Indenture Act, Holder(s) of outstanding Securities voting together as a single class or, as the context may require, Holder(s) of outstanding Preferred Securities or outstanding Common Securities, voting separately as a class, representing 66-2/3% of the aggregate stated liquidation amount (including the stated amount that would be paid on redemption, liquidation or maturity, plus accrued and unpaid Distributions to the date upon which the voting percentages are determined) of all outstanding Securities of such class.

Sponsor:

The term "Sponsor" means KCPL, in its capacity as sponsor of the Trust.

Subordinated Debentures:

The term "Subordinated Debentures" means the series of Subordinated Debentures to be issued by the Debenture Issuer under the Indenture to the Property Trustee for the benefit of the Trust and the Holders.

Successor Property Trustee:

The term "Successor Property Trustee" means a successor Trustee possessing the qualifications to act as Property Trustee under Section 5.3(a).

10% in liquidation amount of the Securities:

The term "10% in liquidation amount of the Securities" means, except as provided in the terms of the Preferred Securities or the Trust Indenture Act, Holder(s) of outstanding Securities voting together as a single class or, as the context may require, Holder(s) of outstanding Preferred Securities or outstanding Common Securities, voting separately as a class, representing 10% of the aggregate stated liquidation amount (including the stated amount that would be paid on redemption, liquidation or maturity, plus accrued and unpaid Distributions to the date upon which the voting percentages are determined) of all outstanding Securities of such class.

Tax Event:

The term "Tax Event" means a "Tax Event" as defined in the Indenture.

Treasury Regulations:

The term "Treasury Regulations" means the income tax regulations including temporary and proposed regulations, promulgated under the Code by the United States Treasury Department, as amended.

Trustee or Trustees:

The terms "Trustee" or "Trustees" means each Person who has signed this Declaration as a trustee, so long as such Person shall continue in office in accordance with the terms hereof, and all other Persons who may from time to time be duly appointed, qualified and serving as Trustees in accordance with the provisions hereof, and references herein to a Trustee or the Trustees shall refer to such Person or Persons solely in their capacity as trustees hereunder.

Trust Indenture Act:

The term "Trust Indenture Act" means the Trust

Underwriting Agreement:

The term "Underwriting Agreement" means the Underwriting Agreement for the offering and sale of Preferred Securities in the form of Exhibit C.

SECTION 1.2. Interpretation. Each definition in this Declaration includes the singular and the plural, and references to the neuter gender include the masculine and feminine where appropriate. Terms which relate to accounting matters shall be interpreted in accordance with generally accepted accounting principles in effect from time to time. References to any statute mean such statute as amended at the time and include any successor legislation. The word "or" is not exclusive, and the words "herein," "hereof" and "hereunder" refer to this Declaration as a whole. The headings to the Articles and Sections are for convenience of reference and shall not affect the meaning or interpretation of this Declaration. References to Articles, Sections, Annexes and Schedules mean the Articles, Sections, Annexes and Schedules of this Declaration. The Annexes, if any, and Schedules are hereby incorporated by reference into and shall be deemed a part of this Declaration.

ARTICLE II
TRUST INDENTURE ACT

SECTION 2.1. Trust Indenture Act; Application.

(a) This Declaration is subject to the provisions of the Trust Indenture Act that are required to be part of this Declaration and shall, to the extent applicable, be governed by such provisions.

(b) The Property Trustee shall be the only Trustee which is a trustee for the purposes of the Trust Indenture Act. If and to the extent that any provision of this Declaration limits, qualifies or conflicts with the duties imposed by sections 310 to 317, inclusive, of the Trust Indenture Act, such imposed duties shall control.

(c) The application of the Trust Indenture Act to this Declaration shall not affect the nature of the Securities as equity securities representing undivided beneficial interests in the assets of the Trust.

SECTION 2.2. Lists of Holders of Securities. (a)

Each of the Sponsor and the Regular Trustee(s) on behalf of the Trust shall provide the Property Trustee (i) within fourteen (14) days after each record date for payment of Distributions a list, in such form as the Property Trustee may reasonably require, of the names and addresses of the Holders of the Securities ("List of Holders") as of such record date, provided that none of the Sponsor or the Regular Trustees on behalf of the Trust shall be obligated to provide such List of Holders at any time the List of Holders does not differ from the most recent List of Holders given to the Property Trustee by the Sponsor and the Regular Trustees on behalf of the Trust, and (ii) at any other time, within thirty (30) days of receipt by the Trust of a written request for a List of Holders as of a date no more than fourteen (14) days before such List of Holders is given to the Property Trustee. The Property Trustee shall preserve, in as current a form as is reasonably practicable, all information contained in Lists of Holders given to it or which it receives in its capacity as Paying Agent (if acting in such capacity) provided that the Property Trustee may destroy any List of Holders previously given to it on receipt of a new List of Holders.

(b) The Property Trustee shall comply with its obligations under sections 311(a), 311(b) and 312(b) of the Trust Indenture Act.

SECTION 2.3. Reports by the Property Trustee.

Within 60 days after May 15 of each year, the Property Trustee shall provide to the Holders of the Preferred Securities such reports, if any, as are required by Section 313 of the Trust Indenture Act, in the form and in the manner and to the Person or Persons provided by section 313 of the Trust Indenture Act.

SECTION 2.4. Periodic Reports to Property Trustee.

Each of the Sponsor and the Regular Trustees on behalf of the Trust shall provide to the Property Trustee such documents, reports and information as required by section 314 (if any) and the compliance certificate as required by section 314 of the Trust Indenture Act.

SECTION 2.5. Evidence of Compliance with

Conditions Precedent. Each of the Sponsor and the Regular Trustees on behalf of the Trust shall provide to the Property Trustee such evidence of compliance with the conditions precedent, if any, provided for in this Declaration which relate to any of the matters set forth in section 314(c) of the Trust Indenture Act. Any certificate

or opinion required to be given by an officer pursuant to section 314(c)(1) may be given in the form of an Officers' Certificate.

SECTION 2.6. Events of Default; Waiver. (a) The Holders of a Majority in liquidation amount of Preferred Securities may, by vote, on behalf of the Holders of all of the Preferred Securities, waive any past Event of Default in respect of the Preferred Securities and its consequences, provided that if the Event of Default:

(i) is not waivable under the Indenture, the Event of Default under this Declaration shall also not be waivable; or

(ii) requires the consent or vote of greater than a majority in principal amount of the holders of the Subordinated Debentures (a "Super-Majority") to be waived under the Indenture, the Event of Default under this Declaration may only be waived by the vote of the Holders of at least the proportion in liquidation amount of the Preferred Securities that the relevant Super Majority represents to the aggregate principal amount of the Subordinated Debentures outstanding.

Upon such waiver, any such default shall cease to exist, and any Event of Default with respect to the Preferred Securities arising therefrom shall be deemed to have been cured, for every purpose of this Declaration, but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon. Any waiver by the Holders of the Preferred Securities of an Event of Default with respect to the Preferred Securities shall also be deemed to constitute a waiver by the Holders of the Common Securities of any such Event of Default with respect to the Common Securities for all purposes of this Declaration without any further act, vote, or consent of the Holders of the Common Securities.

(b) The Holders of a Majority in liquidation amount of the Common Securities may, by vote, on behalf of the Holders of all of the Common Securities, waive any past Event of Default in respect of the Common Securities and its consequences, provided that if the Event of Default:

(i) is not waivable under the Indenture, except where the Holders of the Common Securities are deemed to have waived such Event of Default under this Declaration as provided below, the Event of Default under this Declaration is not waivable; or

(ii) requires the consent or vote of all of the holders of the Subordinated Debentures to be waived, the Event of Default under this Declaration may only be waived by the vote of all of the Holders of the Preferred Securities, provided that each Holder of Common Securities will be deemed to have waived any such Event of Default and all Events of Default with respect to the Common Securities and its consequences until all Events of Default with respect to the Preferred Securities have been cured, waived or otherwise eliminated and until such Events of Default have been so cured, waived or otherwise eliminated, the Property Trustee will be deemed to be acting solely on behalf of the Holders of the Preferred Securities and only the Holders of the Preferred Securities will have the right to direct the Property Trustee in accordance with the terms of the Securities. Subject to the foregoing proviso, upon such waiver, any such default shall cease to exist, and any Event of Default with respect to the Common Securities arising therefrom shall be deemed to have been cured, for every purpose of this Declaration, but no such waiver shall extend to any subsequent or other default or Event of Default with respect to the Common Securities or impair any right consequent thereon.

(c) A waiver of an Event of Default under the Indenture by the Property Trustee at the direction of the Holders of the Preferred Securities constitutes a waiver of the corresponding Event of Default under this Declaration.

SECTION 2.7. Events of Default; Notice. (a) The Property Trustee shall, within 90 days after the occurrence of an Event of Default, transmit by mail, first class postage prepaid, to the Holders of the Securities, notices of all defaults with respect to the Securities known to the Property Trustee, unless such defaults have been cured before the giving of such notice (the term "defaults", for the purposes of this Section 2.7(a), is hereby defined as an Event of Default as defined in the Indenture, not including any periods of grace provided for therein and irrespective of the giving of any notice provided therein); provided that, except for a default in the payment of the principal of (or the premium, if any) or the interest on any of the Subordinated Debentures or in the payment of any sinking fund installment established for the Subordinated

Debentures, the Property Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers, of the Property Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of the Securities.

(b) The Property Trustee shall not be deemed to have knowledge of any default except:

(i) a default arising under Sections 6.01(a)(1) and 6.01(a)(2) of the Indenture; or

(ii) any default as to which the Property Trustee shall have received written notice or of which a Responsible Officer of the Property Trustee charged with the administration of this Declaration shall have obtained written notice.

ARTICLE III ORGANIZATION

SECTION 3.1. Name. The Trust is named "KCPL Financing ___", as such name may be modified from time to time by the Regular Trustees following written notice to the Holders of Securities. The Trust's activities may be conducted under the name of the Trust or any other name deemed advisable by the Regular Trustees.

SECTION 3.2. Office. The address of the principal office of the Trust is 1201 Walnut, Kansas City, Missouri 64106-2124. On ten Business Days written notice to the Holders of Securities, the Regular Trustees may designate another principal office.

SECTION 3.3. Purpose. The exclusive purposes and functions of the Trust are (a) to issue and sell Securities and use the proceeds from such sale to acquire the Subordinated Debentures and (b) except as otherwise limited herein, to engage in only those other activities necessary or incidental thereto. The Trust shall not borrow money, issue debt or reinvest proceeds derived from investments, pledge any of its assets, or otherwise undertake (or permit to be undertaken) any activity that would cause the Trust not to be classified for United States federal income tax purposes as a grantor trust.

SECTION 3.4. Authority. Subject to the limitations provided in this Declaration and to the specific duties of the Property Trustee, the Regular Trustees shall have exclusive and complete authority to carry out the purposes of the Trust. An action taken by the Regular Trustees in accordance with their powers shall constitute the act of and serve to bind the Trust, and an action taken by the Property Trustee in accordance with its powers shall constitute the act of and serve to bind the Trust. In dealing with a Trustee or the Trustees acting on behalf of the Trust, no Person shall be required to inquire into the authority of such Trustee or Trustees to bind the Trust. Persons dealing with the Trust are entitled to rely conclusively on the power and authority of a Trustee or the Trustees as set forth in this Declaration.

SECTION 3.5. Title to Property of the Trust. Except as provided in Section 3.8 with respect to the Subordinated Debentures and the Property Trustee Account or as otherwise provided in this Declaration, legal title to all assets of the Trust shall be vested in the Trust. The Holders shall not have legal title of any part of the assets of the Trust, but shall have an undivided beneficial interest in the assets of the Trust.

SECTION 3.6. Powers and Duties of the Regular Trustees. The Regular Trustees shall have the exclusive power and authority and duty to cause the Trust to engage in the following activities:

(a) to issue and sell the Preferred Securities and the Common Securities in accordance with this Declaration; provided, however, that the Trust may issue no more than one series of Preferred Securities and no more than one series of Common Securities, and, provided further, there shall be no interests in the Trust other than the Securities and the issuance of Securities shall be limited to a one-time, simultaneous issuance of both Preferred Securities and Common Securities on the Closing Date;

(b) in connection with the issue and sale of the Preferred Securities, at the direction of the Sponsor, to:

(i) execute and file with the Securities and Exchange Commission (the "Commission") the registration statement on Form S-3 prepared by the Sponsor in relation to the Preferred Securities, including any amendments thereto prepared by the

Sponsor;

(ii) execute and file any documents prepared by the Sponsor, or take any acts as determined by the Sponsor as necessary in order to qualify or register all or part of the Preferred Securities in any state in which the Sponsor has determined to qualify or register such Preferred Securities for sale;

(iii) execute and file an application prepared by the Sponsor to the New York Stock Exchange, Inc. or any other national stock exchange or the Nasdaq Stock Market's National Market for listing upon notice of issuance of any Preferred Securities;

(iv) execute and file with the Commission a registration statement on Form 8-A prepared by the Sponsor relating to the registration of the class of Preferred Securities under Section 12(b) of the Exchange Act, including any amendments thereto prepared by the Sponsor; and

(v) execute and enter into the Underwriting Agreement providing for the sale of the Preferred Securities;

(c) to acquire the Subordinated Debentures with the proceeds of the sale of the Preferred Securities and the Common Securities; provided, however, that the Regular Trustees shall cause legal title to the Subordinated Debentures to be held of record in the name of the Property Trustee for the benefit of the Trust and the Holders of the Preferred Securities and the Holders of the Common Securities;

(d) to give the Sponsor and the Property Trustee prompt written notice of the occurrence of a Tax Event, provided that the Regular Trustees shall consult with the Sponsor and the Property Trustee before taking any Ministerial Action in relation to a Tax Event;

(e) to establish a record date with respect to all actions to be taken hereunder that require a record date to be established, including for the purposes of section 316(c) of the Trust Indenture Act and with respect to Distributions, voting rights, redemptions and exchanges, and to issue relevant notices to the Holders of Preferred Securities and the Holders of Common Securities as to such actions and applicable record dates;

(f) to take all actions and perform such duties as may be required of the Regular Trustees pursuant to the terms of the Securities;

(g) to bring or defend, pay, collect, compromise, arbitrate, resort to legal action, or otherwise adjust claims or demands of or against the Trust ("Legal Action"), unless pursuant to Section 3.8(f), the Property Trustee has the exclusive power to bring such Legal Action;

(h) to employ or otherwise engage employees and agents (who may be designated as officers with titles) and managers, contractors, advisors and consultants and pay reasonable compensation for such services;

(i) to cause the Trust to comply with the Trust's obligations under the Trust Indenture Act;

(j) to give the certificate to the Property Trustee required by section 314(a)(4) of the Trust Indenture Act, which certificate may be executed by any Regular Trustee;

(k) to incur expenses which are necessary or incidental to carry out any of the purposes of the Trust;

(l) to act as, or appoint another Person to act as, transfer agent for the Securities;

(m) to give prompt written notice to the Holders of the Securities of any notice received from the Debenture Issuer of its election (i) to defer payments of interest on the Subordinated Debentures by extending the interest payment period under the Indenture or (ii) to shorten the scheduled maturity date on the Subordinated Debentures;

(n) to execute all documents or instruments, perform all duties and powers, and do all things for and on behalf of the Trust in all matters necessary or incidental to the foregoing;

(o) to take all action which may be necessary or

appropriate for the preservation and the continuation of the Trust's valid existence, rights, franchises and privileges as a statutory business trust under the laws of the State of Delaware and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Holders of the Securities or to enable the Trust to effect the purposes for which the Trust was created;

(p) to take any action, not inconsistent with this Declaration or with applicable law, which the Regular Trustees determine in their discretion to be necessary or desirable in carrying out the activities of the Trust as set out in this Section 3.6 including, but not limited to:

(i) causing the Trust not to be deemed to be an Investment Company required to be registered under the Investment Company Act;

(ii) causing the Trust to be characterized for United States federal income tax purposes as a grantor trust and causing each Holder of Securities to be treated as owning an undivided beneficial interest in the Subordinated Debentures; and

(iii) co-operating with the Debenture Issuer to ensure that the Subordinated Debentures will be treated as indebtedness of the Debenture Issuer for United States federal income tax purposes,

provided that such action does not adversely affect the interests of the Holders; and

(q) to take all action necessary to cause all applicable tax returns and tax information reports that are required to be filed with respect to the Trust to be duly prepared and filed by the Regular Trustees, on behalf of the Trust.

The Regular Trustees must exercise the powers set forth in this Section 3.6 in a manner which is consistent with the purposes and functions of the Trust set out in Section 3.3 and the Regular Trustees shall not take any action which is inconsistent with the purposes and functions of the Trust set forth in Section 3.3.

Subject to this Section 3.6, the Regular Trustees shall have none of the powers or the authority of the Property Trustee set forth in Section 3.8.

SECTION 3.7. Prohibition of Actions by the Trust and the Trustees. The Trust shall not, and the Trustees (including the Property Trustee) shall cause the Trust not to, engage in any activity other than as required or authorized by this Declaration. In particular, the Trust shall not, and the Trustees (including the Property Trustee) shall cause the Trust not to:

(i) invest any proceeds received by the Trust from holding the Subordinated Debentures but shall distribute all such proceeds to Holders of Securities pursuant to the terms of this Declaration and of the Securities;

(ii) acquire any assets other than as expressly provided herein;

(iii) possess Trust property for other than a Trust purpose;

(iv) make any loans or incur any indebtedness other than loans represented by the Subordinated Debentures;

(v) possess any power or otherwise act in such a way as to vary the Trust assets or the terms of the Securities in any way whatsoever;

(vi) issue any securities or other evidences of beneficial ownership of, or beneficial interest in, the Trust other than the Securities; or

(vii) consent to the modification of the Subordinated Debentures or any other asset of the Trust, unless the Trust shall have received an opinion of counsel to the effect that such modification will not cause more than an insubstantial risk that for United States federal income tax purposes the Trust will not be characterized as a grantor trust.

SECTION 3.8. Powers and Duties of the Property Trustee. (a) The legal title to the Subordinated Debentures shall be owned by and held of record in the name of the Property Trustee in trust for the benefit of the Trust and the Holders of the Securities. The right, title

and interest of the Property Trustee to the Subordinated Debentures shall vest automatically in each Person who may hereafter be appointed as Property Trustee as set forth in Section 5.6. Such vesting and cessation of title shall be effective whether or not conveyancing documents with respect to the Subordinated Debentures have been executed and delivered.

(b) The Property Trustee shall not transfer its right, title and interest in the Subordinated Debentures to the Regular Trustees or to the Delaware Trustee (if the Property Trustee does not also act as Delaware Trustee).

(c) The Property Trustee shall:

(i) establish and maintain a segregated non-interest bearing bank account (the "Property Trustee Account") in the name of and under the exclusive control of the Property Trustee on behalf of the Holders of the Securities and, upon the receipt of payments of funds made in respect of the Subordinated Debentures held by the Property Trustee, deposit such funds into the Property Trustee Account and make payments to the Holders of the Preferred Securities and the Holders of the Common Securities from the Property Trustee Account in accordance with Section 6.1. Funds in the Property Trustee Account shall be held unvested until disbursed in accordance with this Declaration. The Property Trustee Account shall be an account which is maintained with a banking institution the rating on whose long-term unsecured indebtedness is at least equal to the rating assigned to the Preferred Securities by a "nationally recognized statistical rating organization", as that term is defined for purposes of Rule 436(g)(2) under the Securities Act;

(ii) engage in such ministerial activities as shall be necessary or appropriate to effect the redemption of the Preferred Securities and the Common Securities to the extent the Subordinated Debentures are redeemed or mature; and

(iii) upon notice of distribution issued by the Regular Trustees in accordance with the terms of the Preferred Securities and the Common Securities, engage in such ministerial activities as shall be necessary or appropriate to effect the distribution of the Subordinated Debentures to Holders of Securities upon the liquidation and dissolution of the Trust.

(d) The Property Trustee shall take all actions and perform such duties as may be specifically required of the Property Trustee pursuant to the terms of the Securities.

(e) The Property Trustee shall hold the Preferred Securities Guarantee for the benefit of the Holders of the Preferred Securities.

(f) The Property Trustee shall take any Legal Action which arises out of or in connection with an Event of Default or the Property Trustee's duties and obligations under this Declaration (including the Preferred Securities Guarantee) or the Trust Indenture Act.

(g) The Property Trustee shall continue to serve as a Trustee until either:

(i) the Trust has been completely liquidated and the proceeds of the liquidation distributed to the Holders of Securities pursuant to the terms of the Securities; or

(ii) a Successor Property Trustee has been appointed and accepted that appointment in accordance with Section 5.6.

(h) The Property Trustee shall have the legal power to exercise all of the rights, powers and privileges of a holder of Subordinated Debentures under the Indenture and, if an Event of Default occurs and is continuing, the Property Trustee shall, for the benefit of the Holders of the Securities, enforce its rights under the Indenture with respect to the Subordinated Debentures and its rights under the Preferred Securities Guarantee in accordance with the terms of the Preferred Securities Guarantee, subject to the rights of the Holders pursuant to the terms of such Securities and the Preferred Securities Guarantee.

(i) The Property Trustee may authorize one or more Persons (each, a "Paying Agent") to pay Distributions, redemption payments or liquidation payments on behalf of the Trust with respect to the Preferred Securities and the Common Securities and any such Paying Agent shall comply with section 317(b) of the Trust Indenture Act. Any Paying Agent may be removed by the Property Trustee at any time and a successor Paying Agent or additional Paying Agents may be

appointed at any time by the Property Trustee.

(j) Subject to this Section 3.8, the Property Trustee shall have none of the powers or the authority of the Regular Trustees set forth in Section 3.6.

The Property Trustee must exercise the powers set forth in this Section 3.8 in a manner which is consistent with the purposes and functions of the Trust set forth in Section 3.3 and the Property Trustee shall not take any action which is inconsistent with the purposes and functions of the Trust set out in Section 3.3.

SECTION 3.9. Certain Duties and Responsibilities of the Property Trustee. (a) The Property Trustee, before the occurrence of any Event of Default and after the curing of all Events of Default that may have occurred, shall undertake to perform only such duties as are specifically set forth in this Declaration and in the terms of the Securities, and no implied covenants shall be read into this Declaration against the Property Trustee. In case an Event of Default has occurred (that has not been cured or waived pursuant to Section 2.6), the Property Trustee shall exercise such of the rights and powers vested in it by this Declaration, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) No provision of this Declaration shall be construed to relieve the Property Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) prior to the occurrence of any Event of Default and after the curing or waiving of all such Events of Default that may have occurred:

(A) the duties and obligations of the Property Trustee shall be determined solely by the express provisions of this Declaration and in the terms of the Securities, and the Property Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Declaration, and no implied covenants or obligations shall be read into this Declaration against the Property Trustee; and

(B) in the absence of bad faith on the part of the Property Trustee, the Property Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Property Trustee and conforming to the requirements of this Declaration; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Property Trustee, the Property Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Declaration;

(ii) the Property Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Property Trustee, unless it shall be proved that the Property Trustee was negligent in ascertaining the pertinent facts upon which such judgment was made;

(iii) the Property Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a Majority in liquidation amount of the Securities at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Property Trustee, or exercising any trust or power conferred upon the Property Trustee under this Declaration;

(iv) no provision of this Declaration shall require the Property Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it under the terms of this Declaration or adequate indemnity against such risk is not reasonably assured to it;

(v) the Property Trustee's sole duty with respect to the custody, safe keeping and physical preservation of the Subordinated Debentures and the Property Trustee Account shall be to deal with such property in a similar manner as the Property Trustee deals with similar property for its own account, subject to the

protections and limitations on liability afforded to the Property Trustee under this Declaration and the Trust Indenture Act;

(vi) the Property Trustee shall have no duty or liability for or with respect to the value, genuineness, existence or sufficiency of the Subordinated Debentures or the payment of any taxes or assessments levied thereon or in connection therewith;

(vii) the Property Trustee shall not be liable for any interest on any money received by it except as it may otherwise agree with the Sponsor. Money held by the Property Trustee need not be segregated from other funds held by it except in relation to the Property Trustee Account maintained by the Property Trustee pursuant to Section 3.8(c)(i) and except to the extent otherwise required by law; and

(viii) the Property Trustee shall not be responsible for monitoring the compliance by the Regular Trustees or the Sponsor with their respective duties under this Declaration, nor shall the Property Trustee be liable for the default or misconduct of the Regular Trustees or the Sponsor.

SECTION 3.10. Certain Rights of Property Trustee.

(a) Subject to the provisions of Section 3.9:

(i) the Property Trustee may rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security or other paper or document believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(ii) Any direction or act of the Sponsor or the Regular Trustees contemplated by this Declaration shall be sufficiently evidenced by a Direction or an Officers' Certificate.

(iii) Whenever in the administration of this Declaration the Property Trustee shall deem it desirable that a matter be proved or established before taking, suffering or omitting any action hereunder, the Property Trustee (unless other evidence is herein specifically prescribed) may, in the absence of bad faith on its part and, if the Trust is excluded from the definition of an Investment Company solely by means of Rule 3a-5, subject to the requirements of Rule 3a-5, request and rely upon an Officers' Certificate which, upon receipt of such request, shall be promptly delivered by the Sponsor or the Regular Trustees.

(iv) The Property Trustee shall have no duty to see to any recording, filing or registration of any instrument (or any rerecording, refiling or reregistration thereof).

(v) The Property Trustee may consult with counsel and the written advice or opinion of such counsel with respect to legal matters shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion. Such counsel may be counsel to the Sponsor or any of its Affiliates and may include any of its employees. The Property Trustee shall have the right at any time to seek instructions concerning the administration of this Declaration from any court of competent jurisdiction.

(vi) The Property Trustee shall be under no obligation to exercise any rights or powers vested in it under this Declaration at the request or direction of any Holder, unless such Holder shall have provided to the Property Trustee reasonable security or indemnity against the costs, expenses (including attorneys' fees and expenses) and liabilities that might be incurred by it in complying with such request or direction, including such reasonable advances as may be requested by the Property Trustee, provided that nothing contained in this Section 3.10(a)(vi) shall, however, relieve the Property Trustee, upon the occurrence of an Event of Default, from exercising the rights and powers vested in it by this Declaration.

(vii) The Property Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security or other papers or documents, but the Property Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

(viii) The Property Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Property Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(ix) Any action taken by the Property Trustee or its agents hereunder shall bind the Trust and the Holders of the Securities, and the signature of the Property Trustee or its agents alone shall be sufficient and effective to perform any such action. No third party shall be required to inquire as to the authority of the Property Trustee to so act or as to its compliance with any of the terms and provisions of this Declaration, both of which shall be conclusively evidenced by the Property Trustee's or its agent's taking such action.

(x) Whenever in the administration of this Declaration the Property Trustee shall deem it desirable to receive instructions with respect to enforcing any remedy or right or taking any other action hereunder, the Property Trustee (i) may request instructions from the Holders of the Securities representing the aggregate liquidation amount of all outstanding Securities of such class required under the terms of the Securities to direct the Property Trustee to enforce such remedy or right or take such action, (ii) may refrain from enforcing such remedy or right or taking such other action until such instructions are received and (iii) shall be protected in acting in accordance with such instructions.

(b) No provision of this Declaration shall be deemed to impose any duty or obligation on the Property Trustee to perform any act or acts or exercise any right, power, duty or obligation conferred or imposed on it in any jurisdiction in which it shall be illegal, or in which the Property Trustee shall be unqualified or incompetent in accordance with applicable law, to perform any such act or acts or to exercise any such right, power, duty or obligation. No permissive power or authority available to the Property Trustee shall be construed to be a duty.

SECTION 3.11. Delaware Trustee. Notwithstanding any other provision of this Declaration other than Section 5.2, the Delaware Trustee shall not be entitled to exercise any powers, nor shall the Delaware Trustee have any of the duties and responsibilities of the Trustees described in this Declaration. Except as set forth in Section 5.2, the Delaware Trustee shall be a Trustee for the sole and limited purpose of fulfilling the requirements of Section 3807 of the Business Trust Act.

SECTION 3.12. Execution of Documents. Unless otherwise determined by the Regular Trustees, a majority of, or if there are only two, both of the Regular Trustees are authorized to execute on behalf of the Trust any documents which the Regular Trustees have the power and authority to execute pursuant to Section 3.6, provided that any listing application prepared by the Sponsor referred to in Section 3.6(b)(iii) may be executed by any Regular Trustee.

SECTION 3.13. Not Responsible for Recitals or Issuance of Securities. The recitals contained in this Declaration and the Securities shall be taken as the statements of the Sponsor and the Trustees do not assume any responsibility for their correctness. The Trustees make no representations as to the value or condition of the property of the Trust or any part thereof. The Trustees make no representations as to the validity or sufficiency of this Declaration or the Securities.

SECTION 3.14. Duration of Trust. The Trust, unless terminated pursuant to the provisions of Article VIII hereof, shall have existence for forty-five (45) years from the Closing Date.

SECTION 3.15. Mergers. (a) The Trust may not consolidate, amalgamate, merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to any corporation or other body, except as described in Section 3.15(b) and (c).

(b) The Trust may, with the consent of the Regular Trustees or, if there are more than two, a majority of the Regular Trustees and without the consent of the Property Trustee, the Delaware Trustee or the Holders of the Securities, consolidate, amalgamate, merge with or into, or be replaced by a trust organized as such under the laws of any State; provided that:

(i) such successor entity (the "Successor Entity") either:

(A) expressly assumes all of the obligations of the Trust under the Securities; or

(B) substitutes for the Securities other securities having substantially the same terms as the Preferred Securities and Common Securities, respectively (the "Successor Securities"), so long as the Successor Securities rank the same as the Preferred Securities and Common Securities rank with respect to Distributions and payments upon liquidation, redemption, maturity and otherwise;

(ii) the Debenture Issuer expressly acknowledges a trustee of the Successor Entity which possesses the same powers and duties as the Property Trustee as the Holder of the Subordinated Debentures;

(iii) the Preferred Securities or any Successor Securities thereof are listed, or any such Successor Securities will be listed upon notification of issuance, on any national securities exchange or other organization on which the Preferred Securities are then listed;

(iv) such merger, consolidation, amalgamation or replacement does not cause the Preferred Securities (including any Successor Securities thereof) to be downgraded by any nationally recognized statistical rating organization;

(v) such merger, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the Holders of the Securities (including any Successor Securities) in any material respect (other than with respect to any dilution of the Holders' interest in the new entity);

(vi) such Successor Entity has a purpose identical to that of the Trust;

(vii) prior to such merger, consolidation, amalgamation or replacement, the Sponsor has received an opinion from independent counsel to the Trust experienced in such matters to the effect that:

(A) such merger, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the Holders of the Securities (including any Successor Securities) in any material respect (other than with respect to any dilution of the Holders' interest in the new entity); and

(B) following such merger, consolidation, amalgamation or replacement, neither the Trust nor the Successor Entity will be required to register as an Investment Company; and

(viii) the Sponsor guarantees the obligations of such Successor Entity under the Successor Securities of the Preferred Securities at least to the extent provided by the Preferred Securities Guarantee.

(c) Notwithstanding Section 3.15(b), the Trust shall not consolidate, amalgamate, merge with or into, or be replaced by any other entity or permit any other entity to consolidate, amalgamate, merge with or into, or replace it if such consolidation, amalgamation, merger or replacement would cause the Trust or Successor Entity for United States federal income tax purposes to be classified as other than a grantor trust and each Holder of the Securities not to be treated as owning an undivided beneficial interest in the Subordinated Debentures, except with the consent of Holders of 100% in liquidation amount of the Securities.

ARTICLE IV SPONSOR

SECTION 4.1. Sponsor's Purchase of Common Securities. On the Closing Date, the Sponsor will purchase all of the Common Securities issued by the Trust, in an amount equal to approximately 3% of the capital of the Trust at the same time as the Preferred Securities are sold.

SECTION 4.2. Responsibilities of the Sponsor. In connection with the issue and sale of the Preferred Securities, the Sponsor shall have the exclusive right and responsibility to engage in the following activities:

(a) to prepare for filing by the Trust with the Commission a registration statement on Form S-3 in relation to the Preferred Securities, including any amendments thereto;

(b) to determine the states in which to take

appropriate action to qualify or register for sale all or part of the Preferred Securities and to take any and all such acts, other than actions which must be taken by the Trust, and advise the Trust of actions it must take, and prepare for execution and filing any documents to be executed and filed by the Trust, as the Sponsor deems necessary or advisable in order to comply with the applicable laws of any such states;

(c) to prepare for filing by the Trust an application to the New York Stock Exchange, Inc. or any other national stock exchange or the Nasdaq Stock Market's National Market for listing upon notice of issuance of any Preferred Securities;

(d) to prepare for filing by the Trust with the Commission a registration statement on Form 8-A relating to the registration of the class of Preferred Securities under Section 12(b) of the Exchange Act, including any amendments thereto; and

(e) to negotiate the terms of the Underwriting Agreement providing for the sale of the Preferred Securities.

ARTICLE V TRUSTEES

SECTION 5.1. Number of Trustees. The number of Trustees shall initially be four (4), and:

(a) at any time before the issuance of any Securities, the Sponsor may, by written instrument, increase or decrease the number of Trustees; and

(b) after the issuance of any Securities, the number of Trustees may be increased or decreased by vote of the Holders of a Majority in liquidation amount of the Common Securities voting as a class at a meeting of the Holders of the Common Securities;

provided that in any case, the number of Trustees shall be at least four (4) unless the Trustee that acts as the Property Trustee also acts as the Delaware Trustee pursuant to Section 5.2, in which case the number of Trustees shall be at least three (3).

SECTION 5.2. Delaware Trustee. If required by the Business Trust Act, one Trustee (the "Delaware Trustee") shall be:

(a) a natural person who is a resident of the State of Delaware; or

(b) if not a natural person, an entity which has its principal place of business in the State of Delaware and otherwise meets the requirements of applicable law,

provided that if the Property Trustee has its principal place of business in the State of Delaware and otherwise meets the requirements of applicable law, then the Property Trustee shall also be the Delaware Trustee and Section 3.11 shall have no application.

SECTION 5.3. Property Trustee; Eligibility. (a) There shall at all times be one Trustee which shall act as Property Trustee and which shall:

(i) not be an Affiliate of the Sponsor; and

(ii) be a corporation organized and doing business under the laws of the United States of America or any state or territory thereof or of the District of Columbia, or a corporation or Person permitted by the Commission to act as an institutional trustee under the Trust Indenture Act, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least fifty million U.S. dollars (\$50,000,000), and subject to supervision or examination by federal, state, territorial or District of Columbia authority (if such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the supervising or examining authority referred to above, then for the purposes of this Section 5.3(a)(ii), the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published).

(b) If at any time the Property Trustee shall cease to be eligible to so act under Section 5.3(a), the Property Trustee shall immediately resign in the manner and with the effect set out in Section 5.6(c).

(c) If the Property Trustee has or shall acquire

any "conflicting interest" within the meaning of Section 310(b) of the Trust Indenture Act, the Property Trustee and the Holders of the Common Securities (as if they were the obligor referred to in Section 310(b) of the Trust Indenture Act) shall in all respects comply with the provisions of Section 310(b) of the Trust Indenture Act.

SECTION 5.4. Qualifications of Regular Trustees and Delaware Trustee Generally. Each Regular Trustee and the Delaware Trustee (unless the Property Trustee also acts as Delaware Trustee) shall be either a natural person who is at least twenty-one (21) years of age or a legal entity which shall act through one or more Authorized Officers.

SECTION 5.5. Initial Trustees. The initial Regular Trustees shall be:

John J. DeStefano
1201 Walnut
Kansas City, Missouri 64106-2124

Andrea F. Bielsker
1201 Walnut
Kansas City, Missouri 64106-2124

The initial Property Trustee shall be:

The First National Bank of Chicago
One First National Plaza
Suite 0126
Chicago, Illinois 60603

The initial Delaware Trustee shall be:

First Chicago Delaware Inc.
300 King Street
Wilmington, Delaware 19801

SECTION 5.6. Appointment, Removal and Resignation of Trustees. (a) Subject to Section 5.6(b), Trustees may be appointed or removed without cause at any time:

(i) until the issuance of any Securities, by written instrument executed by the Sponsor; and

(ii) after the issuance of any Securities, by vote of the Holders of a Majority in liquidation amount of the Common Securities, voting as a class at a meeting of the Holders of the Common Securities.

(b) (i) The Trustee that acts as Property Trustee shall not be removed in accordance with Section 5.6(a) until a Successor Property Trustee has been appointed and has accepted such appointment by written instrument executed by such Successor Property Trustee and delivered to the Regular Trustees and the Sponsor; and

(ii) the Trustee that acts as Delaware Trustee shall not be removed in accordance with Section 5.6(a) until a successor Trustee possessing the qualifications to act as Delaware Trustee under Sections 5.2 and 5.4 (a "Successor Delaware Trustee") has been appointed and has accepted such appointment by written instrument executed by such Successor Delaware Trustee and delivered to the Regular Trustees and the Sponsor.

(c) A Trustee appointed to office shall hold office until the successor of such Trustee shall have been appointed or until the death, removal or resignation of such Trustee. Any Trustee may resign from office (without need for prior or subsequent accounting) by an instrument in writing signed by the Trustee and delivered to the Sponsor and the Trust, which resignation shall take effect upon such delivery or upon such later date as is specified therein; provided, however, that:

(i) no such resignation of the Trustee that acts as the Property Trustee shall be effective until:

(A) a Successor Property Trustee has been appointed and has accepted such appointment by instrument executed by such Successor Property Trustee and delivered to the Trust and the Sponsor; or

(B) until the assets of the Trust have been completely liquidated and the proceeds thereof distributed to the holders of the Securities; and

(ii) no such resignation of the Trustee that acts as the Delaware Trustee shall be effective until a Successor Delaware Trustee has been appointed and has accepted such appointment by instrument executed by such Successor Delaware Trustee and delivered to the Trust and the Sponsor.

(d) The Holders of the Common Securities shall

use their best efforts to promptly appoint a Successor Delaware Trustee or Successor Property Trustee as the case may be if the Property Trustee or the Delaware Trustee delivers an instrument of resignation in accordance with this Section 5.6.

(e) If no Successor Property Trustee or Successor Delaware Trustee shall have been appointed and accepted appointment as provided in this Section 5.6 within 60 days after delivery to the Sponsor and the Trust of an instrument of resignation, the resigning Property Trustee or Delaware Trustee, as applicable, may petition any court of competent jurisdiction for appointment of a Successor Property Trustee or Successor Delaware Trustee. Such court may thereupon, after prescribing such notice, if any, as it may deem proper and prescribe, appoint a Successor Property Trustee or Successor Delaware Trustee, as the case may be.

SECTION 5.7. Vacancies among Trustees. If a Trustee ceases to hold office for any reason and the number of Trustees is not reduced pursuant to Section 5.1, or if the number of Trustees is increased pursuant to Section 5.1, a vacancy shall occur. A resolution certifying the existence of such vacancy by a majority of the Regular Trustees shall be conclusive evidence of the existence of such vacancy. The vacancy shall be filled with a Trustee appointed in accordance with Section 5.6.

SECTION 5.8. Effect of Vacancies. The death, resignation, retirement, removal, bankruptcy, dissolution, liquidation, incompetence or incapacity to perform the duties of a Trustee, or any one of them, shall not operate to annul the Trust. Whenever a vacancy in the number of Regular Trustees shall occur, until such vacancy is filled by the appointment of a Regular Trustee in accordance with Section 5.6, the Regular Trustees in office, regardless of their number, shall have all the powers granted to the Regular Trustees and shall discharge all the duties imposed upon the Regular Trustees by this Declaration.

SECTION 5.9. Meetings. Meetings of the Regular Trustees shall be held from time to time upon the call of any Regular Trustee. Regular meetings of the Regular Trustees may be held at a time and place fixed by resolution of the Regular Trustees. Notice of any in-person meetings of the Regular Trustees shall be hand delivered or otherwise delivered in writing (including by facsimile, with a hard copy by overnight courier) not less than 48 hours before such meeting. Notice of any telephonic meetings of the Regular Trustees or any committee thereof shall be hand delivered or otherwise delivered in writing (including by facsimile, with a hard copy by overnight courier) not less than 24 hours before a meeting. Notices shall contain a brief statement of the time, place and anticipated purposes of the meeting. The presence (whether in person or by telephone) of a Regular Trustee at a meeting shall constitute a waiver of notice of such meeting except where a Regular Trustee attends a meeting for the express purpose of objecting to the transaction of any activity on the ground that the meeting has not been lawfully called or convened. Unless provided otherwise in this Declaration, any action of the Regular Trustees may be taken at a meeting by vote of a majority of the Regular Trustees present (whether in person or by telephone) and eligible to vote with respect to such matter, provided that a Quorum is present, or without a meeting by the unanimous written consent of the Regular Trustees. In the event there is only one Regular Trustee, any action of such Regular Trustee shall be evidenced by a written consent of such Regular Trustee.

SECTION 5.10. Delegation of Power. (a) Any Regular Trustee may, by power of attorney consistent with applicable law, delegate to any other natural person over the age of 21 his or her power for the purpose of executing any documents contemplated in Section 3.6, including any registration statement or amendment thereto filed with the Commission or making any other governmental filing.

(b) The Regular Trustees shall have power to delegate from time to time to such of their number or to officers of the Trust the doing of such things and the execution of such instruments either in the name of the Trust or the names of the Regular Trustees or otherwise as the Regular Trustees may deem expedient, to the extent such delegation is not prohibited by applicable law or contrary to the provisions of the Trust, as set forth herein.

ARTICLE VI DISTRIBUTIONS

SECTION 6.1. Distributions. Holders shall receive Distributions in accordance with the applicable terms of the relevant Holder's Securities. Distributions shall be made on the Preferred Securities and the Common Securities in accordance with the preferences set forth in their respective terms. If and to the extent that the

Debenture Issuer makes a payment of interest (including Compounded Interest (as defined in the Indenture) and Additional Interest (as defined in the Indenture)), premium and principal on the Subordinated Debentures held by the Property Trustee (the amount of any such payment being a "Payment Amount"), the Property Trustee shall and is directed, to the extent funds are available for that purpose, to make a Distribution of the Payment Amount to the Holders.

ARTICLE VII ISSUANCE OF SECURITIES

SECTION 7.1. General Provisions Regarding Securities. (a) The Regular Trustees shall, on behalf of the Trust, issue one class of preferred securities representing undivided beneficial interests in the assets of the Trust having such terms as are set forth in Exhibit A and incorporated herein by reference (the "Preferred Securities"), and one class of common securities representing undivided beneficial interests in the assets of the Trust having such terms as are set forth in Exhibit A and incorporated herein by reference (the "Common Securities"). The Trust shall have no securities or other interests in the assets of the Trust other than the Preferred Securities and the Common Securities.

(b) The Securities shall be signed on behalf of the Trust by the Regular Trustees (or, if there are more than two Regular Trustees, by any two of the Regular Trustees). Such signatures may be the manual or facsimile signatures of the present or any future Regular Trustee. Typographical and other minor errors or defects in any such reproduction of any such signature shall not affect the validity of any Security. In case any Regular Trustee of the Trust who shall have signed any of the Securities shall cease to be such Regular Trustee before the Security so signed shall be delivered by the Trust, such Security nevertheless may be delivered as though the person who signed such Security had not ceased to be such Regular Trustee; and any Security may be signed on behalf of the Trust by such persons as, at the actual date of the execution of such Security, are the Regular Trustees of the Trust, although at the date of the execution and delivery of the Declaration any such person was not such a Regular Trustee.

(c) The consideration received by the Trust for the issuance of the Securities shall constitute a contribution to the capital of the Trust and shall not constitute a loan to the Trust.

(d) Upon issuance of the Securities as provided in this Declaration, the Securities so issued shall be deemed to be validly issued, fully paid and non-assessable, subject to Section 10.1(b) with respect to the Common Securities.

(e) Every Person, by virtue of having become a Holder or a Preferred Security Beneficial Owner in accordance with the terms of this Declaration, shall be deemed to have expressly assented and agreed to the terms of, and shall be bound by, this Declaration.

ARTICLE VIII TERMINATION OF TRUST

SECTION 8.1. Termination of Trust. (a) The Trust shall terminate:

(i) upon the bankruptcy of the Holder of the Common Securities or the Sponsor;

(ii) upon the filing of a certificate of dissolution or its equivalent with respect to the Holder of the Common Securities or the Sponsor, the filing of a certificate of cancellation with respect to the Trust or the revocation of the charter of the Holder of the Common Securities or of the Sponsor and the expiration of ninety (90) days after the date of revocation without a reinstatement thereof;

(iii) upon the entry of a decree of judicial dissolution of the Holder of the Common Securities, the Sponsor or the Trust;

(iv) when all of the Securities shall have been called for redemption and the amounts necessary for redemption thereof shall have been paid to the Holders in accordance with the terms of the Securities;

(v) upon the dissolution of the Trust in accordance with the terms of the Securities and pursuant to which all of the Subordinated Debentures shall have been distributed to the Holders of

Securities in exchange for all of the Securities; or

(vi) upon delivery of written direction to the Property Trustee by the Sponsor at any time (which direction is wholly optional and within the discretion of the Sponsor) to dissolve the Trust and distribute the Subordinated Debentures to the Holders of the Securities in accordance with Section 3 of Exhibit A hereto.

(b) As soon as is practicable after the occurrence of an event referred to in Section 8.1(a), the Trustees shall file a certificate of cancellation with the Secretary of State of the State of Delaware.

(c) The provisions of Article X shall survive the termination of the Trust.

ARTICLE IX TRANSFER OF INTERESTS

SECTION 9.1. Transfer of Securities. (a) Securities may only be transferred, in whole or in part, in accordance with the terms and conditions set forth in this Declaration and in the terms of the Securities. Any transfer or purported transfer of any Security not made in accordance with this Declaration shall be null and void.

(b) Subject to this Article IX, Preferred Securities shall be freely transferable.

(c) Subject to this Article IX, the Sponsor and any Related Party may only transfer Common Securities to the Sponsor or a Related Party of the Sponsor, provided that any such transfer is subject to the condition precedent that the transferor obtain the written opinion of nationally recognized independent counsel experienced in such matters that such transfer would not cause more than an insubstantial risk that:

(i) the Trust would not be classified for United States federal income tax purposes as a grantor trust and each Holder of Securities would not be treated as owning an undivided beneficial interest in the Subordinated Debentures; and

(ii) the Trust would be an Investment Company or the transferee would be an Investment Company if the transferee was not an Investment Company before the transfer.

SECTION 9.2. Transfer of Certificates. The Regular Trustees shall provide for the registration of Certificates and of transfers of Certificates, which will be effected without charge but only upon payment (with such indemnity as the Regular Trustees may require) in respect of any tax or other government charges which may be imposed in relation to it. Upon surrender for registration of transfer of any Certificate, the Regular Trustees shall cause one or more new Certificates to be issued in the name of the designated transferee or transferees. Every Certificate surrendered for registration of transfer shall be accompanied by a written instrument of transfer in form satisfactory to the Regular Trustees duly executed by the Holder or such Holder's attorney duly authorized in writing. Each Certificate surrendered for registration of transfer shall be canceled by the Regular Trustees. A transferee of a Certificate shall be entitled to the rights and subject to the obligations of a Holder hereunder upon the receipt by such transferee of a Certificate. By acceptance of a Certificate, each transferee shall be deemed to have agreed to be bound by this Declaration and the documents incorporated by reference herein.

SECTION 9.3. Deemed Security Holders. The Trustees may treat the Person in whose name any Certificate shall be registered on the books and records of the Trust as the sole holder of such Certificate and of the Securities represented by such Certificate for purposes of receiving Distributions and for all other purposes whatsoever and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such Certificate or in the Securities represented by such Certificate on the part of any Person, whether or not the Trustees shall have actual or other notice thereof.

SECTION 9.4. Book Entry Interests. Unless otherwise specified in the terms of the Preferred Securities, the Preferred Securities Certificates, on original issuance, will be issued in the form of one or more, fully registered, global Preferred Security Certificates (each a "Global Certificate"), to be delivered to DTC, the initial Clearing Agency, by, or on behalf of, the Trust. Such Global Certificates shall initially be registered on the books and records of the Trust in the name of Cede & Co., the nominee of DTC, and no Preferred Security

Beneficial Owner will receive a definitive Preferred Security Certificate representing such Preferred Security Beneficial Owner's interests in such Global Certificates, except as provided in Section 9.7. Unless and until definitive, fully registered Preferred Security Certificates (the "Definitive Preferred Security Certificates") have been issued to the Preferred Security Beneficial Owners pursuant to Section 9.7:

(a) the provisions of this Section 9.4 shall be in full force and effect;

(b) the Trust and the Trustees shall be entitled to deal with the Clearing Agency for all purposes of this Declaration (including the payment of Distributions on the Global Certificates and receiving approvals, votes or consents hereunder) as the Holder of the Preferred Securities and the sole holder of the Global Certificates and shall have no obligation to the Preferred Security Beneficial Owners;

(c) to the extent that the provisions of this Section 9.4 conflict with any other provisions of this Declaration, the provisions of this Section 9.4 shall control; and

(d) the rights of the Preferred Security Beneficial Owners shall be exercised only through the Clearing Agency and shall be limited to those established by law and agreements between such Preferred Security Beneficial Owners and the Clearing Agency and/or the Clearing Agency Participants. DTC will make book entry transfers among the Clearing Agency Participants and receive and transmit payments of Distributions on the Global Certificates to such Clearing Agency Participants.

SECTION 9.5. Notices to Clearing Agency. Whenever a notice or other communication to the Preferred Security Holders is required under this Declaration, unless and until Definitive Preferred Security Certificates shall have been issued to the Preferred Security Beneficial Owners pursuant to Section 9.7, the Regular Trustees shall give all such notices and communications specified herein to be given to the Preferred Security Holders to the Clearing Agency, and shall have no notice obligations to the Preferred Security Beneficial Owners.

SECTION 9.6. Appointment of Successor Clearing Agency. If any Clearing Agency elects to discontinue its services as securities depository with respect to the Preferred Securities, the Regular Trustees may, in their sole discretion, appoint a successor Clearing Agency with respect to such Preferred Securities.

SECTION 9.7. Definitive Preferred Security Certificates. If:

(a) a Clearing Agency elects to discontinue its services as securities depository with respect to the Preferred Securities and a successor Clearing Agency is not appointed within ninety (90) days after such discontinuance pursuant to Section 9.6; or

(b) the Regular Trustees elect, after consultation with the Sponsor, to terminate the book entry system through the Clearing Agency with respect to the Preferred Securities,

then:

(c) Definitive Preferred Security Certificates shall be prepared by the Regular Trustees on behalf of the Trust with respect to such Preferred Securities; and

(d) upon surrender of the Global Certificates by the Clearing Agency, accompanied by registration instructions, the Regular Trustees shall cause Definitive Preferred Security Certificates to be delivered to Preferred Security Beneficial Owners in accordance with the instructions of the Clearing Agency. Neither the Trustees nor the Trust shall be liable for any delay in delivery of such instructions and each of them may conclusively rely on, and shall be protected in relying on, such instructions. The Definitive Preferred Security Certificates shall be printed, lithographed or engraved or may be produced in any other manner as is reasonably acceptable to the Regular Trustees, as evidenced by their execution thereof, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements as the Regular Trustees may deem appropriate, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which Preferred Securities may be listed, or to conform to usage.

SECTION 9.8. Mutilated, Destroyed, Lost or Stolen Certificates. If:

(a) any mutilated Certificates should be surrendered to the Regular Trustees, or if the Regular Trustees shall receive evidence to their satisfaction of the destruction, loss or theft of any Certificate; and

(b) there shall be delivered to the Regular Trustees such security or indemnity as may be required by them to keep each of them harmless,

then in the absence of notice that such Certificate shall have been acquired by a bona fide purchaser, any two Regular Trustees on behalf of the Trust shall execute and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of like denomination. In connection with the issuance of any new Certificate under this Section 9.8, the Regular Trustees may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith. Any duplicate Certificate issued pursuant to this Section shall constitute conclusive evidence of an ownership interest in the relevant Securities, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

ARTICLE X
LIMITATION OF LIABILITY OF
HOLDERS OF SECURITIES, TRUSTEES OR OTHERS

SECTION 10.1. Liability. (a) Except as expressly set forth in this Declaration, the Subordinated Debentures, the Preferred Securities Guarantee and the terms of the Securities, the Sponsor shall not be:

(i) personally liable for the return of any portion of the capital contributions (or any return thereon) of the Holders of the Securities which shall be made solely from assets of the Trust; and

(ii) be required to pay to the Trust or to any Holder of Securities any deficit upon dissolution of the Trust or otherwise.

(b) The Sponsor shall be liable for all of the debts and obligations of the Trust (other than with respect to the Securities) to the extent not satisfied out of the Trust's assets.

SECTION 10.2. Exculpation. (a) No Indemnified Person shall be liable, responsible or accountable in damages or otherwise to the Trust or any Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Indemnified Person in good faith on behalf of the Trust and in a manner such Indemnified Person reasonably believed to be within the scope of the authority conferred on such Indemnified Person by this Declaration or by law, except that an Indemnified Person shall be liable for any such loss, damage or claim incurred by reason of such Indemnified Person's gross negligence (or, in the case of the Property Trustee, pursuant to Section 3.9, negligence) or willful misconduct with respect to such acts or omissions.

(b) An Indemnified Person shall be fully protected in relying in good faith upon the records of the Trust and upon such information, opinions, reports or statements presented to the Trust by any Person as to matters the Indemnified Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Trust, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits, losses, or any other facts pertinent to the existence and amount of assets from which Distributions to Holders of Securities might properly be paid.

SECTION 10.3. Fiduciary Duty. (a) To the extent that, at law or in equity, an Indemnified Person has duties (including fiduciary duties) and liabilities relating thereto to the Trust or to any other Covered Person, an Indemnified Person acting under this Declaration shall not be liable to the Trust or to any other Covered Person for its good faith reliance on the provisions of this Declaration. The provisions of this Declaration, to the extent that they restrict the duties and liabilities of an Indemnified Person otherwise existing at law or in equity (other than duties imposed on the Property Trustee under the Trust Indenture Act), are agreed by the parties hereto to replace such other duties and liabilities of such Indemnified Person.

(b) Unless otherwise expressly provided herein:

(i) whenever a conflict of interest exists or arises between an Indemnified Person and Covered Persons; or

(ii) whenever this Declaration or any other agreement contemplated herein or therein provides that an Indemnified Person shall act in a manner that is, or provides terms that are, fair and reasonable to the Trust or any Holder of Securities,

the Indemnified Person shall resolve such conflict of interest, take such action or provide such terms, considering in each case the relative interest of each party (including its own interest) to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable generally accepted accounting practices or principles. In the absence of bad faith by the Indemnified Person, the resolution, action or terms so made, taken or provided by the Indemnified Person shall not constitute a breach of this Declaration or any other agreement contemplated herein or of any duty or obligation of the Indemnified Person at law or in equity or otherwise.

(c) Whenever in this Declaration an Indemnified Person is permitted or required to make a decision:

(i) in its "discretion" or under a grant of similar authority, the Indemnified Person shall be entitled to consider such interests and factors as it desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of, or factors affecting, the Trust or any other Person; or

(ii) in its "good faith" or under another express standard, the Indemnified Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Declaration or by applicable law.

SECTION 10.4. Indemnification. (a) To the fullest extent permitted by applicable law, the Sponsor shall indemnify and hold harmless each Indemnified Person from and against any loss, damage, liability, tax, penalty, expense or claim incurred by such Indemnified Person by reason of the creation, operation or termination of the Trust or any act or omission performed or omitted by such Indemnified Person in good faith on behalf of the Trust and in a manner such Indemnified Person reasonably believed to be within the scope of authority conferred on such Indemnified Person by this Declaration, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Indemnified Person by reason of gross negligence (or, in the case of the Property Trustee, pursuant to Section 3.9, negligence) or willful misconduct with respect to such acts or omissions.

(b) To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by an Indemnified Person in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Sponsor prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Sponsor of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall be determined that the Indemnified Person is not entitled to be indemnified as authorized in Section 10.4(a). The rights to indemnification set forth herein shall survive the termination of this Declaration.

SECTION 10.5. Outside Businesses. Any Covered Person, the Sponsor, the Delaware Trustee and the Property Trustee may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Trust, and the Trust and the Holders of Securities shall have no rights by virtue of this Declaration in and to such independent ventures or the income or profits derived therefrom and the pursuit of any such venture, even if competitive with the business of the Trust, shall not be deemed wrongful or improper. No Covered Person, the Sponsor, the Delaware Trustee or the Property Trustee shall be obligated to present any particular investment or other opportunity to the Trust even if such opportunity is of a character that, if presented to the Trust, could be taken by the Trust, and any Covered Person, the Sponsor, the Delaware Trustee and the Property Trustee shall have the right to take for its own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment or other opportunity. Any Covered Person, the Delaware Trustee and the Property Trustee may engage or be interested in any financial or other transaction with the Sponsor or any

Affiliate of the Sponsor, or may act as depository for, trustee or agent for, or act on any committee or body of holders of, securities or other obligations of the Sponsor or its Affiliates.

ARTICLE XI ACCOUNTING

SECTION 11.1. Fiscal Year. The fiscal year ("Fiscal Year") of the Trust shall be the calendar year, or such other year as is required by the Code.

SECTION 11.2. Certain Accounting Matters. (a) At all times during the existence of the Trust, the Regular Trustees shall keep, or cause to be kept, full books of account, records and supporting documents, which shall reflect in reasonable detail, each transaction of the Trust. The books of account shall be maintained on the accrual method of accounting, in accordance with generally accepted accounting principles consistently applied. The Trust shall use the accrual method of accounting for United States federal income tax purposes. The books of account and the records of the Trust shall be examined by and reported upon as of the end of each Fiscal Year of the Trust by a firm of independent certified public accountants selected by the Regular Trustees.

(b) The Regular Trustees shall cause to be prepared and delivered to each of the Holders of Securities, within 90 days after the end of each Fiscal Year of the Trust, annual financial statements of the Trust, including a balance sheet of the Trust as of the end of such Fiscal Year, and the related statements of income or loss.

(c) The Regular Trustees shall cause to be duly prepared and delivered to each of the Holders of Securities, an annual United States federal income tax information statement, if one is required by the Code, containing such information with regard to the Securities held by each Holder as is required by the Code and the Treasury Regulations. Notwithstanding any right under the Code to deliver any such statement at a later date, the Regular Trustees shall endeavor to deliver all such statements within thirty (30) days after the end of each Fiscal Year of the Trust.

(d) The Regular Trustees shall cause to be duly prepared and filed with the appropriate taxing authority, an annual United States federal income tax return, on a Form 1041 or such other form required by United States federal income tax law, and any other annual income tax returns required to be filed by the Regular Trustees on behalf of the Trust with any state or local taxing authority.

SECTION 11.3. Banking. The Trust shall maintain one or more bank accounts in the name and for the sole benefit of the Trust; provided, however, that all payments of funds in respect of the Subordinated Debentures held by the Property Trustee shall be made directly to the Property Trustee Account and no other funds of the Trust shall be deposited in the Property Trustee Account. The sole signatories for such accounts shall be designated by the Regular Trustees; provided, however, that the Property Trustee shall designate the signatories for the Property Trustee Account.

SECTION 11.4. Withholding. The Trust and the Trustees shall comply with all withholding requirements under United States federal, state and local law. The Trust shall request, and the Holders shall provide to the Trust, such forms or certificates as are necessary to establish an exemption from withholding with respect to each Holder, and any representations and forms as shall reasonably be requested by the Trust to assist it in determining the extent of, and in fulfilling, its withholding obligations. The Regular Trustee(s) shall file required forms with applicable jurisdictions and, unless an exemption from withholding is properly established by a Holder, shall remit amounts withheld with respect to the Holder to applicable jurisdictions. To the extent that the Trust is required to withhold and pay over any amounts to any authority with respect to distributions or allocations to any Holder, the amount withheld shall be deemed to be a distribution in the amount of the withholding to the Holder. In the event of any claimed over-withholding, Holders shall be limited to an action against the applicable jurisdiction. If the amount withheld was not withheld from actual Distributions made, the Trust may reduce subsequent Distributions by the amount of such withholding.

ARTICLE XII AMENDMENTS AND MEETINGS

SECTION 12.1. Amendments. (a) Except as otherwise provided in this Declaration or by any applicable

terms of the Securities, this Declaration may be amended by, and only by, a written instrument approved and executed by the Regular Trustees (or, if there are more than two Regular Trustees, a majority of the Regular Trustees); provided, however, that:

(i) no amendment shall be made, and any such purported amendment shall be void and ineffective:

(1) unless, in the case of any proposed amendment, the Property Trustee shall have first received an Officers' Certificate from each of the Trust and the Sponsor that such amendment is permitted by, and conforms to, the terms of this Declaration (including the terms of the Securities);

(2) unless, in the case of any proposed amendment which affects the rights, powers, duties, obligations or immunities of the Property Trustee, the Property Trustee shall have first received:

(A) an Officers' Certificate from each of the Trust and the Sponsor that such amendment is permitted by, and conforms to, the terms of this Declaration (including the terms of the Securities); and

(B) an opinion of counsel (who may be counsel to the Sponsor or the Trust) that such amendment is permitted by, and conforms to, the terms of this Declaration (including the terms of the Securities); and

(ii) no amendment shall be made, and any such purported amendment shall be void and ineffective, to the extent the result thereof would be to

(A) cause the Trust not to be characterized for purposes of United States federal income taxation as a grantor trust and each Holder of Securities not to be treated as owning an undivided beneficial interest in the Subordinated Debentures, as evidenced by an Opinion of Counsel to the effect that such amendment shall not result in the foregoing;

(B) affect adversely the rights, powers, duties, obligations or immunities of the Property Trustee or the Delaware Trustee; or

(C) cause the Trust to be deemed to be an Investment Company which is required to be registered under the Investment Company Act;

(iii) at such time after the Trust has issued any Securities which remain outstanding, any amendment which would adversely affect the rights, privileges or preferences of any Holder of Securities may be effected only with such additional requirements as may be set forth in the terms of such Securities;

(iv) Section 9.1(c) and this Section 12.1 shall not be amended without the consent of all of the Holders of the Securities;

(v) Article IV shall not be amended without the consent of the Holders of a Majority in liquidation amount of the Common Securities; and

(vi) the rights of the holders of the Common Securities under Article V to increase or decrease the number of, and appoint and remove, Trustees shall not be amended without the consent of the Holders of a Majority in liquidation amount of the Common Securities.

(b) Notwithstanding Section 12.1(a)(iii), this Declaration may be amended without the consent of the Holders of the Securities to:

(i) cure any ambiguity;

(ii) correct or supplement any provision in this Declaration that may be defective or inconsistent with any other provision of this Declaration;

(iii) to add to the covenants, restrictions or obligations of the Sponsor; and

(iv) to conform to any change in Rule 3a-5 or written change in interpretation or application of Rule 3a-5 by any legislative body, court, government agency or regulatory authority which amendment does not have a

material adverse effect on the rights, preferences or privileges of the Holders.

SECTION 12.2. Meetings of the Holders of Securities; Action by Written Consent. (a) Meetings of the Holders of any class of Securities may be called at any time by the Regular Trustees (or as provided in the terms of the Securities) to consider and act on any matter on which Holders of such class of Securities are entitled to act under the terms of this Declaration, the terms of the Securities or the rules of any stock exchange on which the Preferred Securities are listed or admitted for trading. The Regular Trustees shall call a meeting of such class of Holders, if directed to do so by the Holders of at least 10% in liquidation amount of such class of Securities. Such direction shall be given by delivering to the Regular Trustees one or more calls in a writing stating that the signing Holders of Securities wish to call a meeting and indicating the general or specific purpose for which the meeting is to be called. Any Holders of Securities calling a meeting shall specify in writing the Security Certificates held by the Holders of Securities exercising the right to call a meeting and only those specified shall be counted for purposes of determining whether the required percentage set forth in the second sentence of this paragraph has been met.

(b) Except to the extent otherwise provided in the terms of the Securities, the following provisions shall apply to meetings of Holders of Securities:

(i) Notice of any such meeting shall be given to all the Holders of Securities having a right to vote thereat at least seven (7) days and not more than sixty (60) days before the date of such meeting. Whenever a vote, consent or approval of the Holders of Securities is permitted or required under this Declaration or the rules of any stock exchange on which the Preferred Securities are listed or admitted for trading, such vote, consent or approval may be given at a meeting of the Holders of Securities. Any action that may be taken at a meeting of the Holders of Securities may be taken without a meeting if a consent in writing setting forth the action so taken is signed by the Holders of Securities owning not less than the minimum amount of Securities in liquidation amount that would be necessary to authorize or take such action at a meeting at which all Holders of Securities having a right to vote thereon were present and voting. Prompt notice of the taking of action without a meeting shall be given to the Holders of Securities entitled to vote who have not consented in writing. The Regular Trustees may specify that any written ballots submitted to the Holders of Securities for the purpose of taking any action without a meeting shall be returned to the Trust within the time specified by the Regular Trustees.

(ii) Each Holder of a Security may authorize any Person to act for it by proxy on all matters in which such Holder of Securities is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Holder of Securities executing it. Except as otherwise provided herein, all matters relating to the giving, voting or validity of proxies shall be governed by the General Corporation Law of the State of Delaware relating to proxies, and judicial interpretations thereunder, as if the Trust were a Delaware corporation and the Holders of the Securities were stockholders of a Delaware corporation.

(iii) Each meeting of the Holders of the Securities shall be conducted by the Regular Trustees or by such other Person that the Regular Trustees may designate.

(iv) Unless the Business Trust Act, this Declaration, the Trust Indenture Act, the terms of the Securities or the listing rules of any stock exchange on which the Preferred Securities are then listed or trading otherwise provides, the Regular Trustees, in their sole discretion, shall establish all other provisions relating to meetings of Holders of Securities, including notice of the time, place or purpose of any meeting at which any matter is to be voted on by any Holders of Securities, waiver of any such notice, action by consent without a meeting, the establishment of a record date, quorum requirements, voting in person or by proxy or any other matter with respect to the exercise of any such right to vote.

ARTICLE XIII REPRESENTATIONS OF PROPERTY TRUSTEE AND DELAWARE TRUSTEE

SECTION 13.1. Representations and Warranties of

Property Trustee. The Trustee which acts as initial Property Trustee represents and warrants to the Trust and to the Sponsor at the date of this Declaration, and each Successor Property Trustee represents and warrants to the Trust and the Sponsor at the time of the Successor Property Trustee's acceptance of its appointment as Property Trustee that:

(a) The Property Trustee is a national banking association duly organized under the laws of the United States of America, with trust power and authority to execute and deliver, and to carry out and perform its obligations under the terms of, this Declaration.

(b) The execution, delivery and performance by the Property Trustee of this Declaration has been duly authorized by all necessary corporate action on the part of the Property Trustee. This Declaration has been duly executed and delivered by the Property Trustee, and it constitutes a legal, valid and binding obligation of the Property Trustee, enforceable against it in accordance with its terms, subject to applicable bankruptcy, reorganization, moratorium, insolvency and other similar laws affecting creditors' rights generally and to general principles of equity and the discretion of the court (regardless of whether the enforcement of such remedies is considered in a proceeding in equity or at law).

(c) The execution, delivery and performance of this Declaration by the Property Trustee does not conflict with or constitute a breach of the Articles of Organization or By-Laws of the Property Trustee.

(d) No consent, approval or authorization of, or registration with or notice to, any State or Federal banking authority is required for the execution, delivery or performance by the Property Trustee of this Declaration.

SECTION 13.2. Representations and Warranties of Delaware Trustee. The Delaware Trustee represents and warrants to the Trust and the Sponsor at the date of this Declaration, that the Delaware Trustee has been authorized to perform its obligations under the Certificate of Trust and this Declaration. This Declaration under Delaware law constitutes a legal, valid and binding obligation of the Delaware Trustee, enforceable against it in accordance with its terms, subject to applicable bankruptcy, reorganization, moratorium, insolvency and other similar laws affecting creditors' rights generally and to general principles of equity and the discretion of the court (regardless of whether the enforcement of such remedies is considered in a proceeding in equity or at law).

ARTICLE XIV MISCELLANEOUS

SECTION 14.1. Notices. All notices provided for in this Declaration shall be in writing, duly signed by the party giving such notice, and shall be delivered, telecopied or mailed by registered or certified mail, as follows:

(a) if given to the Trust, in care of the Regular Trustees at the Trust's mailing address set forth below (or such other address as the Trust may give notice of to the Holders of the Securities):

KCPL FINANCING ___
c/o Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106-2124
Attention: Treasurer
Facsimile: 816-556-2992

(b) if given to the Property Trustee, at the mailing address set forth below (or such other address as the Property Trustee may give notice of to the Holders of the Securities):

The First National Bank of Chicago
One First National Plaza, Suite 0216
Chicago, Illinois 60670-0216
Attention: Corporate Trust Administration
Facsimile: 312-407-4656

(c) if given to the Delaware Trustee, at the mailing address of the Property Trustee with a copy to the address set forth below (or such other address as the Delaware Trustee may give notice of to the Holders of the Securities):

First Chicago Delaware Inc.
300 King Street
Wilmington, Delaware 19801
Facsimile: 815-356-0391

(d) if given to the Holder of the Common Securities, at the mailing address of the Sponsor set forth below (or such other address as the Holder of the Common Securities may give notice of to the Trust):

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106-2124
Attention: Treasurer
Facsimile: 816-556-2992

(d) if given to any other Holder, at the address set forth on the books and records of the Trust.

All such notices shall be deemed to have been given when received in person, telecopied with receipt confirmed, or mailed by first class mail, postage prepaid except that if a notice or other document is refused delivery or cannot be delivered because of a changed address of which no notice was given, such notice or other document shall be deemed to have been delivered on the date of such refusal or inability to deliver.

SECTION 14.2. Governing Law. This Declaration and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware and all rights and remedies shall be governed by such laws without regard to principles of conflict of laws.

SECTION 14.3. Intention of the Parties. It is the intention of the parties hereto that the Trust not be characterized for United States federal income tax purposes as an association taxable as a corporation or a partnership but rather, that the Trust be characterized as a grantor trust or otherwise in a manner such that each Holder of Securities be treated as owning an undivided beneficial interest in the Subordinated Debentures. The provisions of this Declaration shall be interpreted to further this intention of the parties.

SECTION 14.4. Headings. Headings contained in this Declaration are inserted for convenience of reference only and do not affect the interpretation of this Declaration or any provision hereof.

SECTION 14.5. Successors and Assigns. Whenever in this Declaration any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included, and all covenants and agreements in this Declaration by the Sponsor and the Trustees shall bind and inure to the benefit of their respective successors and assigns, whether so expressed.

SECTION 14.6. Partial Enforceability. If any provision of this Declaration, or the application of such provision to any Person or circumstance, shall be held invalid, the remainder of this Declaration, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

SECTION 14.7. Counterparts. This Declaration may contain more than one counterpart of the signature page and this Declaration may be executed by the affixing of the signature of each of the Trustees to one of such counterpart signature pages. All of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

IN WITNESS WHEREOF, the undersigned has caused these presents to be executed as of the day and year first above written.

John J. DeStefano
as Trustee

Andrea F. Bielsker
as Trustee

THE FIRST NATIONAL BANK OF CHICAGO
Not in its individual capacity but
solely as Property Trustee

By: _____

Name:
Title:

FIRST CHICAGO DELAWARE INC.
Not in its individual capacity
but solely as Delaware Trustee

By: _____
Name:
Title:

KANSAS CITY POWER & LIGHT COMPANY
as Sponsor

By: _____
Name:
Title:

EXHIBIT A

TERMS OF
_____% TRUST ORIGINATED PREFERRED SECURITIES
_____% TRUST ORIGINATED COMMON SECURITIES

Pursuant to Section 7.1 of the Amended and Restated Declaration of Trust of KCPL Financing ___ dated as of _____, 199_ (as amended from time to time, the "Declaration"), the designation, rights, privileges, restrictions, preferences and other terms and provisions of the Preferred Securities and the Common Securities are set out below (each capitalized term used but not defined herein has the meaning set forth in the Declaration or, if not defined in such Declaration, as defined in the Prospectus referred to below):

1. Designation and Number.

(a) Preferred Securities. Preferred Securities of the Trust with an aggregate liquidation amount with respect to the assets of the Trust of _____ million dollars (\$_____) and a liquidation amount with respect to the assets of the Trust of \$25 per Preferred Security, are hereby designated for the purposes of identification only as "____% Trust Originated Preferred Securities" (the "Preferred Securities"). The Preferred Security Certificates evidencing the Preferred Securities shall be substantially in the form attached hereto as Annex I, with such changes and additions thereto or deletions therefrom as may be required by ordinary usage, custom or practice.

(b) Common Securities. Common Securities of the Trust with an aggregate liquidation amount with respect to the assets of the Trust of _____ million dollars (\$_____) and a liquidation amount with respect to the assets of the Trust of \$25 per Common Security, are hereby designated for the purposes of identification only as "____% Trust Originated Common Securities" (the "Common Securities"). The Common Security Certificates evidencing the Common Securities shall be substantially in the form attached hereto as Annex II, with such changes and additions thereto or deletions therefrom as may be required by ordinary usage, custom or practice.

2. Distributions. (a) Distributions payable on each Security will be fixed at a rate per annum of ____% (the "Coupon Rate") of the stated liquidation amount of \$25 per Security, such rate being the rate of interest payable on the Subordinated Debentures to be held by the Property Trustee. Distributions in arrears will bear interest compounded quarterly at the Coupon Rate to the extent permitted by applicable law. The term "Distributions," as used herein, includes any such interest payable unless otherwise stated. A Distribution is payable only to the extent that payments are made in respect of the Subordinated Debentures held by the Property Trustee. The amount of Distributions payable for any period will be computed for any full quarterly Distribution period on the basis of a 360-day year of twelve 30-day months, and for any period shorter than a full quarterly Distribution period, on the basis of the actual number of days elapsed in such a 90-day quarter.

(b) Distributions on the Securities will be cumulative, will accrue from _____, 199_ and will be payable quarterly in arrears, on March 31, June 30, September 30, and December 31 of each year, commencing on _____, 199_, except as otherwise described below. The Debenture Issuer has the right under the Indenture to defer payments of interest by extending the interest payment period from time to time on the Subordinated Debentures for

a period not exceeding twenty consecutive quarters (each such period, an "Extension Period") and, as a consequence of such extension, Distributions will also be deferred. Despite such deferral, quarterly Distributions will continue to accrue with interest thereon (to the extent permitted by applicable law) at the Coupon Rate, compounded quarterly during any such Extension Period. Prior to the termination of any such Extension Period, the Debenture Issuer may further extend such Extension Period; provided that such Extension Period, together with all such previous and further extensions thereof, may not exceed twenty consecutive quarters or extend beyond the maturity of the Subordinated Debentures. Payments of accrued Distributions will be payable to Holders as they appear on the books and records of the Trust on the first record date after the end of the Extension Period. Upon the termination of any Extension Period and the payment of all amounts then due, the Debenture Issuer may commence a new Extension Period, subject to the above requirements.

(c) Distributions on the Securities will be payable to the Holders thereof as they appear on the books and records of the Trust on the relevant record dates. While the Preferred Securities remain in book-entry only form, the relevant record dates shall be one Business Day prior to the relevant payment dates which payment dates correspond to the interest payment dates on the Subordinated Debentures. Subject to any applicable laws and regulations and the provisions of the Declaration, each such payment in respect of the Preferred Securities will be made as described under the heading "Description of the Preferred Securities -- Book-Entry Only Issuance -- The Depository Trust Company" in the Prospectus dated _____, as supplemented by the Prospectus Supplement dated _____, 199_ (the "Prospectus") of the Trust included in the Registration Statement on Form S-3 of the Sponsor and the Trust. The relevant record dates for the Common Securities, and if the Preferred Securities shall not continue to remain in book-entry-only form, the relevant record dates for the Preferred Securities, shall conform to the rules of any securities exchange on which the securities are listed and, if none, shall be selected by the Regular Trustees, which dates shall be at least one Business Day but less than 60 Business Days before the relevant payment dates which payment dates correspond to the interest payment dates on the Subordinated Debentures. Distributions payable on any Securities that are not punctually paid on any Distribution payment date, as a result of the Debenture Issuer having failed to make a payment under the Subordinated Debentures, will cease to be payable to the Person in whose name such Securities are registered on the relevant record date, and such defaulted Distribution will instead be payable to the Person in whose name such Securities are registered on the special record date or other specified date determined in accordance with the Indenture. If any date on which Distributions are payable on the Securities is not a Business Day, then payment of the Distribution payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

(d) In the event that there is any money or other property held by or for the Trust that is not accounted for hereunder, such property shall be distributed Pro Rata (as defined herein) among the Holders of the Securities.

3. Liquidation Distribution Upon Dissolution. In the event of any voluntary or involuntary dissolution, winding-up or termination of the Trust, the Holders of the Securities on the date of the dissolution, winding-up or termination, as the case may be, will be entitled to receive out of the assets of the Trust available for distribution to Holders of Securities, after paying or making reasonable provision to pay all claims and obligations of the Trust in accordance with Section 3808(e) of the Business Trust Act, an amount equal to the aggregate of the stated liquidation amount of \$25 per Security plus accrued and unpaid Distributions thereon to the date of payment (such amount being the "Liquidation Distribution"), unless, in connection with such dissolution, winding-up or termination, Subordinated Debentures in an aggregate principal amount equal to the aggregate stated liquidation amount of such Securities, with an interest rate equal to the Coupon Rate of, and bearing accrued and unpaid interest in an amount equal to the accrued and unpaid Distributions on, such Securities, shall be distributed on a Pro Rata basis to the Holders of the Securities in exchange for such Securities.

If, upon any such dissolution, the Liquidation Distribution can be paid only in part because the Trust has insufficient assets available to pay in full the aggregate Liquidation Distribution, then the amounts payable directly by the Trust on the Securities shall be paid on a Pro Rata

basis.

4. Redemption. (a) Upon the repayment of the Subordinated Debentures in whole or in part, whether at maturity or upon acceleration, redemption or otherwise, the proceeds from such repayment or payment shall be simultaneously applied to redeem Securities having an aggregate stated liquidation amount equal to the aggregate principal amount of the Subordinated Debentures so repaid or redeemed at a redemption price of \$25 per Security plus an amount equal to accrued and unpaid Distributions thereon at the date of the redemption, payable in cash (the "Redemption Price"). Holders will be given not less than 30 nor more than 60 days notice of such redemption except in the case of payments upon maturity.

(b) If fewer than all the outstanding Securities are to be so redeemed, the Common Securities and the Preferred Securities will be redeemed Pro Rata and the Preferred Securities to be redeemed will be as described in Section 4(f)(ii) below.

(c) If, at any time, a Tax Event (as defined below) shall occur and be continuing, the Regular Trustees, upon not less than 30 nor more than 60 days notice, may redeem the Securities in whole or in part for cash within 90 days following the occurrence of such Tax Event (the "90 Day Period") at the Redemption Price on a Pro Rata basis provided, that, if at the time there is available to the Trust the opportunity to eliminate, within the 90 Day Period, the Tax Event by taking some ministerial action ("Ministerial Action"), such as filing a form or making an election, or pursuing some other similar reasonable measure that has no adverse effect on the Sponsor, the Trust, the Debenture Issuer or the Holders of the Securities, the Trust will pursue such Ministerial Action in lieu of redemption.

"Tax Event" means that the Regular Trustees shall have received an opinion from independent tax counsel experienced in such matters (a "Redemption Tax Opinion") to the effect that, on or after the latest date of the Prospectus, as a result of (a) any amendment to, or change (including any announced prospective change) in, the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority therefor or therein, or (b) any amendment to, or change in, an interpretation or application of any such laws or regulations by any legislative body, court, governmental agency or regulatory authority, which amendment or change is enacted, promulgated, issued or announced or which interpretation or pronouncement is issued or announced or which action is taken, in each case on or after the date of the Prospectus, there is more than an insubstantial risk that interest payable by the Debenture Issuer to the Trust on the Subordinated Debentures is not, or within 90 days of the date thereof will not be, deductible, in whole or in part, by the Debenture Issuer for United States federal income tax purposes.

(d) The Trust may not redeem fewer than all the outstanding Securities unless all accrued and unpaid Distributions have been paid on all Securities for all quarterly Distribution periods terminating on or before the date of redemption.

5. Distribution of Subordinated Debentures in Exchange for Securities. (a) On and from the date fixed by the Trustees for any distribution of Subordinated Debentures upon dissolution of the Trust: (i) the Securities will no longer be deemed to be outstanding, (ii) The Depository Trust Company (the "Depository") or its nominee (or any successor Clearing Agency or its nominee), as the record Holder of the Preferred Securities, will receive a registered global certificate or certificates representing the Subordinated Debentures to be delivered upon such distribution and any certificates representing Securities, except for certificates representing Preferred Securities held by the Depository or its nominee (or any successor Clearing Agency or its nominee), will be deemed to represent beneficial interests in the Subordinated Debentures having an aggregate principal amount equal to the aggregate stated liquidation amount of, with an interest rate identical to the Coupon Rate of, and accrued and unpaid interest equal to accrued and unpaid Distributions on, such Securities until such certificates are presented to the Debenture Issuer or its agent for transfer or reissue.

(b) If the Subordinated Debentures are distributed to holders of the Securities, pursuant to the terms of the Indenture, the Debenture Issuer will use its best efforts to have the Subordinated Debentures listed on the New York Stock Exchange or on such other exchange as the Preferred Securities were listed immediately prior to the distribution of the Subordinated Debentures.

6. Redemption or Distribution Procedures. (a) Notice of any redemption of, or notice of distribution of

Subordinated Debentures in exchange for, the Securities (a "Redemption/Distribution Notice") will be given by the Trust by mail to each Holder of Securities to be redeemed or exchanged not fewer than 30 nor more than 60 days before the date fixed for redemption or exchange thereof which, in the case of a redemption, will be the date fixed for redemption of the Subordinated Debentures. For purposes of the calculation of the date of redemption or exchange and the dates on which notices are given pursuant to this Section 6(a), a Redemption/Distribution Notice shall be deemed to be given on the day such notice is first mailed by first-class mail, postage prepaid, to Holders of Securities. Each Redemption/Distribution Notice shall be addressed to the Holders of Securities at the address of each such Holder appearing in the books and records of the Trust. No defect in the Redemption/Distribution Notice or in the mailing of either thereof with respect to any Holder shall affect the validity of the redemption or exchange proceedings with respect to any other Holder.

(b) In the event that fewer than all the outstanding Securities are to be redeemed, the Securities to be redeemed shall be redeemed Pro Rata from each Holder of Preferred Securities; provided that if, as a result of such Pro Rata redemption, Clearing Agency Participants would hold fractional interests in the Preferred Securities, the Depository will adjust the amount of the interest of each Clearing Agency Participant to be redeemed to avoid such fractional interests.

(c) If Securities are to be redeemed and the Trust gives a Redemption/Distribution Notice, which notice may only be issued if the Subordinated Debentures are redeemed as set out in this Section 4 (which notice will be irrevocable), then (i) while the Preferred Securities are in book entry only form, with respect to the Preferred Securities, by 12:00 noon, New York City time, on the redemption date, provided that the Debenture Issuer has paid the Property Trustee a sufficient amount of cash in connection with the related redemption or maturity of the Subordinated Debentures, the Property Trustee will deposit irrevocably with the Depository or its nominee (or successor Clearing Agency or its nominee) funds sufficient to pay the applicable Redemption Price with respect to the Preferred Securities and will give the Depository irrevocable instructions and authority to pay the Redemption Price to the Holders of the Preferred Securities, and (ii) if the Preferred Securities are issued in definitive form, with respect to the Preferred Securities, and with respect to the Common Securities, provided that the Debenture Issuer has paid the Property Trustee a sufficient amount of cash in connection with the related redemption or maturity of the Subordinated Debentures, the Property Trustee will pay the relevant Redemption Price to the Holders of such Securities by check mailed to the address of the relevant Holder appearing on the books and records of the Trust on the redemption date. If a Redemption/Distribution Notice shall have been given and funds have been deposited as required, if applicable, then immediately prior to the close of business on the date of such deposit, or on the redemption date, as applicable, all rights of Holders of such Securities so called for redemption will cease, except the right of the Holders of such Securities to receive the Redemption Price, but without interest on such Redemption Price. Neither the Regular Trustees nor the Trust shall be required to register or cause to be registered the transfer of any Securities which have been so called for redemption. If any date fixed for redemption of Securities is not a Business Day, then payment of the Redemption Price payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day falls in the next calendar year, such payment will be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date fixed for redemption. If payment of the Redemption Price in respect of Securities is improperly withheld or refused and not paid either by the Property Trustee or by the Sponsor as Guarantor pursuant to the Preferred Securities Guarantee, Distributions on such Securities will continue to accrue, from the original redemption date to the actual date of payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the Redemption Price.

(d) Redemption/Distribution Notices shall be sent to (i) in respect of the Preferred Securities, the Depository or its nominee (or any successor Clearing Agency or its nominee) if Global Certificates have been issued or if Definitive Preferred Security Certificates have been issued, to the Holders thereof, and (ii) in respect of the Common Securities, to the Holders thereof.

(e) Subject to applicable law (including, without limitation, United States federal securities laws), the Sponsor or any of its Affiliates may at any time and from time to time purchase outstanding Preferred Securities by

tender, in the open market or by private agreement.

7. Voting Rights - Preferred Securities. (a) Except as provided under Sections 7(b) and 9 and as otherwise required by law and the Declaration, the Holders of the Preferred Securities will have no voting rights.

(b) The Holders of a Majority in liquidation amount of the Preferred Securities, voting separately as a class, may direct the time, method and place of conducting any proceeding for any remedy available to the Property Trustee, or exercising any trust or power conferred upon the Property Trustee under the Declaration, including (i) directing the time, method and place of conducting any proceeding for any remedy available to the Debenture Trustee, or executing any trust or power conferred on the Debenture Trustee with respect to the Subordinated Debentures, (ii) waive any past default and its consequences that are waivable under the Indenture, (iii) exercise any right to rescind or annul a declaration that the principal of all the Subordinated Debentures shall be due and payable, or (iv) consent to any amendment, modification or termination of the Indenture or the Subordinated Debentures, where such consent shall be required, provided, however, that where a consent under the Indenture would require the consent of greater than a majority of the Holders in principal amount of Subordinated Debentures affected thereby (a "Super Majority"), the Property Trustee may only give such consent at the direction of the Holders of at least the proportion in liquidation amount of the Preferred Securities which the relevant Super Majority represents of the aggregate principal amount of the Subordinated Debentures. The Property Trustee shall not take any action in accordance with the directions of the Holders of the Preferred Securities under this paragraph unless the Property Trustee has obtained an opinion of independent tax counsel to the effect that, for the purposes of United States federal income tax, the Trust will not be classified as other than a grantor trust on account of such action and that each Holder of Securities will continue to be treated as owning an undivided beneficial interest in the Subordinated Debentures on account of such action. If the Property Trustee fails to enforce its rights under the Declaration, any Holder of Preferred Securities may institute a legal proceeding directly against any Person to enforce the Property Trustee's rights under the Declaration, without first instituting a legal proceeding against the Property Trustee or any other Person.

Any approval or direction of Holders of Preferred Securities may be given at a separate meeting of Holders of Preferred Securities convened for such purpose, at a meeting of all of the Holders of Securities in the Trust or pursuant to written consent. The Regular Trustees will cause a notice of any meeting at which Holders of Preferred Securities are entitled to vote, or of any matter upon which action by written consent of such Holders is to be taken, to be mailed to each Holder of record of Preferred Securities. Each such notice will include a statement setting forth (i) the date of such meeting or the date by which such action is to be taken, (ii) a description of any resolution proposed for adoption at such meeting on which such Holders are entitled to vote or of such matter upon which written consent is sought and (iii) instructions for the delivery of proxies or consents.

No vote or consent of the Holders of the Preferred Securities will be required for the Trust to redeem and cancel Preferred Securities or to distribute the Subordinated Debentures in accordance with the Declaration and the terms of the Securities.

Notwithstanding that Holders of Preferred Securities are entitled to vote or consent under any of the circumstances described above, any of the Preferred Securities that are owned by the Sponsor, or by any entity directly or indirectly controlling or controlled by or under direct or indirect common control with the Sponsor, shall not be entitled to vote or consent and shall, for purposes of such vote or consent, be treated as if they were not outstanding.

8. Voting Rights - Common Securities. (a) Except as provided under Section 8(b) and (c) and as otherwise required by law and the Declaration, the Holders of the Common Securities will have no voting rights.

(b) The Holders of the Common Securities are entitled, in accordance with Article V of the Declaration, to vote to appoint, remove or replace any Trustee or to increase or decrease the number of Trustees.

(c) Only after the Event of Default with respect to the Preferred Securities has been cured, waived or otherwise eliminated, the Holders of a Majority in liquidation amount of the Common Securities, voting separately as a class, may direct the time, method and place

of conducting any proceeding for any remedy available to the Property Trustee, or exercising any trust or power conferred upon the Property Trustee under the Declaration, including (i) directing the time, method and place of conducting any proceeding for any remedy available to the Debenture Trustee, or executing any trust or power conferred on the Debenture Trustee with respect to the Subordinated Debentures, (ii) waive any past default and its consequences that is waivable under Section 6.06 of the Indenture, (iii) exercise any right to rescind or annul a declaration that the principal of all the Subordinated Debentures shall be due and payable, or (iv) consent to any amendment, modification or termination of the Indenture or the Subordinated Debentures, where such consent shall be required, provided, however, that where a consent under the Indenture would require the consent of a Super Majority, the Property Trustee may only give such consent at the direction of the Holders of at least the proportion in liquidation amount of the Common Securities which the relevant Super Majority represents of the aggregate principal amount of the Subordinated Debentures. The Property Trustee shall not take any action in accordance with the directions of the Holders of the Common Securities under this paragraph unless the Property Trustee has obtained an opinion of independent tax counsel to the effect that, for the purposes of United States federal income tax, the Trust will not be classified as other than a grantor trust on account of such action and that each Holder of Securities will continue to be treated as owning an undivided beneficial interest in the Subordinated Debentures on account of such action. If the Property Trustee fails to enforce its rights under the Declaration, any Holder of Common Securities may institute a legal proceeding directly against any Person to enforce the Property Trustee's rights under the Declaration, without first instituting a legal proceeding against the Property Trustee or any other Person.

Any approval or direction of Holders of Common Securities may be given at a separate meeting of Holders of Common Securities convened for such purpose, at a meeting of all of the Holders of Securities in the Trust or pursuant to written consent. The Regular Trustees will cause a notice of any meeting at which Holders of Common Securities are entitled to vote, or of any matter upon which action by written consent of such Holders is to be taken, to be mailed to each Holder of record of Common Securities. Each such notice will include a statement setting forth (i) the date of such meeting or the date by which such action is to be taken, (ii) a description of any resolution proposed for adoption at such meeting on which such Holders are entitled to vote or of such matter upon which written consent is sought and (iii) instructions for the delivery of proxies or consents.

No vote or consent of the Holders of the Common Securities will be required for the Trust to redeem and cancel Common Securities or to distribute the Subordinated Debentures in accordance with the Declaration and the terms of the Securities.

9. Amendments. If any proposed amendment to the Declaration provides for, or the Regular Trustees otherwise propose to effect, (i) any action that would adversely affect the powers, preferences or special rights of the Securities, whether by way of amendment to the Declaration or otherwise, or (ii) the dissolution, winding-up or termination of the Trust, other than as described in Section 8.1 of the Declaration, then the Holders of outstanding Securities, as a single class, will be entitled to vote on such amendment or proposal (but not on any other amendment or proposal) and such amendment or proposal shall not be effective except with the approval of the Holders of at least $66\frac{2}{3}$ in liquidation amount of the Securities affected thereby, provided that a reduction of the aggregate liquidation amount or the distribution rate, or a change in the payment dates or maturities of the Preferred Securities shall not be permitted without the consent of each holder of the Preferred Securities. In the event any amendment or proposal referred to in clause (i) above would adversely affect only the Preferred Securities or the Common Securities, then only the affected class will be entitled to vote on such amendment or proposal and such amendment or proposal shall not be effective except with the approval of $66\frac{2}{3}$ in liquidation amount of such class of Securities.

10. Pro Rata. A reference in these terms of the Securities to any payment, distribution or treatment as being "Pro Rata" shall mean pro rata to each Holder of Securities according to the aggregate liquidation amount of the Securities held by the relevant Holder in relation to the aggregate liquidation amount of all Securities outstanding unless, in relation to a payment, an Event of Default under the Indenture has occurred and is continuing, in which case any funds available to make such payment shall be paid first to each Holder of the Preferred Securities pro rata according to the aggregate liquidation amount of Preferred Securities held by the relevant Holder relative to the

aggregate liquidation amount of all Preferred Securities outstanding, and only after satisfaction of all amounts owed to the Holders of the Preferred Securities, to each Holder of Common Securities pro rata according to the aggregate liquidation amount of Common Securities held by the relevant Holder relative to the aggregate liquidation amount of all Common Securities outstanding.

11. Ranking. The Preferred Securities rank pari passu and payment thereon shall be made Pro Rata with the Common Securities except that when an Event of Default occurs and is continuing, the rights of Holders of the Common Securities to payment in respect of Distributions and payments upon liquidation, redemption and otherwise are subordinated to the rights to payment of the Holders of the Preferred Securities.

12. Listing. The Regular Trustees shall use their best efforts to cause the Preferred Securities to be listed for quotation on the New York Stock Exchange, Inc.

13. Acceptance of Securities Guarantee and Indenture. Each Holder of Preferred Securities and Common Securities, by the acceptance thereof, agrees to the provisions of the Preferred Securities Guarantee, including the subordination provisions therein and to the provisions therein and to the provisions of the Indenture.

14. No Preemptive Rights. The Holders of the Securities shall have no preemptive rights to subscribe for any additional Securities.

15. Miscellaneous. These terms constitute a part of the Declaration.

The Sponsor will provide a copy of the Declaration and the Preferred Securities Guarantee to a Holder without charge on written request to the Sponsor at its principal place of business.

Annex I

Form of Preferred Security Certificate

[IF THE PREFERRED SECURITY IS TO BE A GLOBAL CERTIFICATE INSERT - This Preferred Security is a Global Certificate within the meaning of the Declaration hereinafter referred to and is registered in the name of The Depository Trust Company (the "Depository") or a nominee of the Depository. This Preferred Security is exchangeable for Preferred Securities registered in the name of a person other than the Depository or its nominee only in the limited circumstances described in the Declaration and no transfer of this Preferred Security as a whole (except by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository) may be registered except in limited circumstances.]

Unless this Preferred Security is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Trust or its agent for registration of transfer, exchange or payment, and any Preferred Security issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of The Depository Trust Company and any payment hereon is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.]

Certificate Number Number of Preferred Securities

CUSIP NO.

Certificate Evidencing Preferred Securities
of
KCPL FINANCING __

Preferred Securities
(Liquidation Amount \$25 per Preferred Security)

KCPL FINANCING __, a business trust formed under the laws of the State of Delaware (the "Trust"), hereby certifies that _____ (the "Holder") is the registered owner of preferred securities of the Trust representing undivided beneficial interests in the assets of the Trust designated the ___% Trust Originated Preferred Securities (liquidation amount \$25 per Preferred Security) (the "Preferred Securities"). The Preferred Securities are transferable on the books and records of the Trust, in person or by a duly authorized attorney, upon surrender of this certificate duly endorsed and in proper form for transfer. The designation, rights, privileges, restrictions, preferences and other terms and provisions of

the Preferred Securities represented hereby are issued and shall in all respects be subject to the provisions of the Amended and Restated Declaration of Trust of the Trust dated as of _____, 199_, as the same may be amended from time to time (the "Declaration"), including the designation of the terms of the Preferred Securities as set forth in Exhibit A to the Declaration. Capitalized terms used herein but not defined herein shall have the respective meanings given them in the Declaration. The Holder is entitled to the benefits of the Preferred Securities Guarantee to the extent provided therein. The Trust will provide a copy of the Declaration and the Preferred Securities Guarantee to the Holder without charge upon written request to the Trust at its principal place of business.

Upon receipt of this certificate, the Holder is bound by the Declaration and is entitled to the benefits thereunder.

By acceptance, the Holder agrees to treat the Subordinated Debentures as indebtedness and the Preferred Securities as evidence of indirect beneficial ownership in the Subordinated Debentures.

IN WITNESS WHEREOF, the Trust has executed this certificate this _____ day of _____, _____.

_____ as Trustee

By: _____

_____ as Trustee

By: _____

_____ as Trustee

_____ as Trustee

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned assigns and transfers this Preferred Security Certificate to:

(Insert assignee's social security or tax identification number)

(Insert address and zip code of assignee) and irrevocably appoints

agent to transfer this Preferred Security Certificate on the books of the Trust. The agent may substitute another to act for him or her.

Date: _____

Signature: _____

(Sign exactly as your name appears on the other side of this Preferred Security Certificate.)

Annex II
Form of Common Security Certificate

Certificate Number _____ Number of Common Securities _____

Certificate Evidencing Common Securities
of
KCPL FINANCING __

Common Securities
(Liquidation Amount \$25 per Common Security)

KCPL FINANCING __, a business trust formed under the laws of the State of Delaware (the "Trust"), hereby certifies that _____ (the "Holder") is the registered owner of common securities of the Trust representing undivided beneficial interests in the assets of the Trust designated the ____% Trust Originated Common Securities (liquidation

amount \$25 per Common Security) (the "Common Securities"). The Common Securities are transferable on the books and records of the Trust, in person or by a duly authorized attorney, upon surrender of this certificate duly endorsed and in proper form for transfer. The designation, rights, privileges, restrictions, preferences and other terms and provisions of the Common Securities represented hereby are issued and shall in all respects be subject to the provisions of the Amended and Restated Declaration of Trust of the Trust dated as of _____, 199_, as the same may be amended from time to time (the "Declaration"), including the designation of the terms of the Common Securities as set forth in Exhibit A to the Declaration. Capitalized terms used herein but not defined herein shall have the respective meanings given them in the Declaration. The Holder is entitled to the benefits of the Common Securities Guarantee to the extent provided therein. The Trust will provide a copy of the Declaration and the Common Securities Guarantee to the Holder without charge upon written request to the Trust at its principal place of business.

Upon receipt of this certificate, the Holder is bound by the Declaration and is entitled to the benefits thereunder.

By acceptance, the Holder agrees to treat the Subordinated Debentures as indebtedness and the Common Securities as evidence of indirect beneficial ownership in the Subordinated Debentures.

IN WITNESS WHEREOF, the Trust has executed this certificate this ____ day of _____, _____.

as Trustee

By: _____

as Trustee

By: _____

as Trustee

as Trustee

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned assigns and transfers this Common Security Certificate to:

(Insert assignee's social security or tax identification number)

(Insert address and zip code of assignee) and irrevocably appoints

agent to transfer this Common Security Certificate on the books of the Trust. The agent may substitute another to act for him or her.

Date: _____

Signature: _____
(Sign exactly as your name appears on the other side of this Common Security Certificate.)

KANSAS CITY POWER & LIGHT COMPANY
Issuer

AND

THE FIRST NATIONAL BANK OF CHICAGO
Trustee

INDENTURE

Dated as of _____, 199_

Subordinated Debt Securities

ARTICLE I	
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CROSS-REFERENCE TABLE*

Section of Trust Indenture Act of 1939, as amended	Section of Indenture
310(a)	7.09
310(b)	7.08 7.10
310(c)	Inapplicable
311(a)	7.13(a)
311(b)	7.13(b)

311(c)	Inapplicable
312(a)	5.01
	5.02(a)
312(b)	5.02(b)
312(c)	5.02(c)
313(a)	5.04(a)
313(b)	5.04(b)
313(c)	5.04(a)
	5.04(b)
313(d)	5.04(c)
314(a)	5.03
314(b)	Inapplicable
314(c)	13.06
314(d)	Inapplicable
314(e)	13.06
314(f)	Inapplicable
315(a)	7.01(a)
	7.02
315(b)	6.07
315(c)	7.01
315(d)	7.01(b)
	7.01(c)
315(e)	6.07
316(a)	6.06
	8.04
316(b)	6.04
316(c)	8.01
317(a)	6.02
317(b)	4.03
318(a)	13.08

* This Cross-Reference Table does not constitute part of the Indenture and shall not have any bearing on the interpretation of Any of its terms or provisions.

THIS INDENTURE, dated as of _____, 199_, between KANSAS CITY POWER & LIGHT COMPANY, a Missouri corporation (the "Company") and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, duly organized and existing under the laws of the United States as trustee (the "Trustee"):

W I T N E S S E T H:

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of unsecured subordinated debt securities (hereinafter referred to as the "Debt Securities"), in an unlimited aggregate principal amount to be issued from time to time in one or more series as in this Indenture provided, as registered Debt Securities without coupons, to be authenticated by the certificate of the Trustee;

WHEREAS, to provide the terms and conditions upon which the Debt Securities are to be authenticated, issued and delivered, the Company has duly authorized the execution of this Indenture; and

WHEREAS, all things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done;

NOW, THEREFORE, in consideration of the premises and the purchase of the Debt Securities by the holders thereof, it is mutually covenanted and agreed as follows for the equal and ratable benefit of the holders of Debt Securities:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions of Terms. The terms defined in this Section (except as in this Indenture otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section and shall include the plural as well as the singular. All other terms used in this Indenture that are defined in the Trust Indenture Act of 1939, as amended, or that are by reference in such Act defined in the Securities Act of 1933, as amended (except as herein otherwise expressly provided or unless the context otherwise requires), shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this instrument.

Affiliate:

The term "Affiliate" shall mean, with respect to a

specified Person, (a) any Person directly or indirectly owning, controlling or holding with power to vote 10% or more of the outstanding voting securities or other ownership interests of the specified Person, (b) any Person 10% or more of whose outstanding voting securities or other ownership interests are directly or indirectly owned, controlled or held with power to vote by the specified Person, (c) any Person directly or indirectly controlling, controlled by or under common control with the specified Person, (d) a partnership in which the specified Person is a general partner, (e) any officer or director of the specified Person and (f) if the specified Person is an individual, any entity of which the specified Person is an officer, director or general partner.

Authenticating Agent:

The term "Authenticating Agent" shall mean an authenticating agent with respect to all or any of the series of Debt Securities appointed with respect to all of such series of the Debt Securities by the Trustee pursuant to Section 2.10.

Bankruptcy Law:

The term "Bankruptcy Law" shall mean Title 11, United States Code, or any similar federal or state law for the relief of debtors.

Board of Directors:

The term "Board of Directors" shall mean the board of directors of the Company, or any duly authorized committee of such board or any officer of the Company duly authorized by the board of directors of the Company or a duly authorized committee of that board.

Board Resolution:

The term "Board Resolution" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification; provided that any Board Resolution that is adopted by an officer of the Company shall be accompanied by a copy of a resolution of either the board of directors of the Company or a duly authorized committee of that board, certified as aforesaid, authorizing such officer to take such action.

Business Day:

The term "Business Day" shall mean, with respect to any series of Debt Securities, any day other than a day on which federal or state banking institutions in Chicago, Illinois or the Borough of Manhattan, The City of New York, are authorized or obligated by law, executive order or regulation to close.

Certificate:

The term "Certificate" shall mean a certificate signed by the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Company. The Certificate need not comply with the provisions of Section 13.07.

Common Securities:

The term "Common Securities" shall mean undivided beneficial interests in the assets of a Trust which rank pari passu with Preferred Securities issued by such Trust; provided, however, that upon the occurrence of an Event of Default, the rights of holders of Common Securities to payment in respect of distributions and payments upon liquidation, redemption and maturity are subordinated to the rights of holders of Preferred Securities.

Company:

The term "Company" shall mean Kansas City Power & Light Company, a corporation duly organized and existing under the laws of the State of Missouri, and, subject to the provisions of Article X, shall also include its successors and assigns.

Corporate Trust Office:

The term "Corporate Trust Office" shall mean the office of the Trustee at which, at any particular time, its corporate trust business shall be principally administered, which office at the date hereof is located at One First National Plaza, Suite 0126, Chicago, Illinois 60670, Attention: Corporate Trust Administration.

Custodian:

The term "Custodian" shall mean any receiver,

trustee, assignee, liquidator, or similar official under any Bankruptcy Law.

Declaration:

The term "Declaration" shall mean, in respect of a Trust, the amended and restated declaration of trust of such Trust or any other governing instrument of such Trust.

Debt Securities:

The term "Debt Securities" shall mean the Debt Securities authenticated and delivered under this Indenture.

Default:

The term "Default" shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

Defaulted Interest:

The term "Defaulted Interest" has the meaning specified in Section 2.03.

Depository:

The term "Depository" shall mean, with respect to Debt Securities of any series for which the Company shall determine that such Debt Securities will be issued as a Global Security, The Depository Trust Company, New York, New York, another clearing agency, or any successor registered as a clearing agency under the Exchange Act or other applicable statute or regulation, which, in each case, shall be designated by the Company pursuant to either Section 2.01 or 2.11.

Event of Default:

The term "Event of Default" shall mean, with respect to Debt Securities of a particular series, any event specified in Section 6.01, continued for the period of time, if any, therein designated.

Exchange Act:

The term "Exchange Act" shall mean the Securities Exchange Act of 1934.

Global Security:

The term "Global Security" shall mean, with respect to any series of Debt Securities, a Debt Security executed by the Company and delivered by the Trustee to the Depository or pursuant to the Depository's instruction, all in accordance with this Indenture, which shall be registered in the name of the Depository or its nominee.

Governmental Obligations:

The term "Governmental Obligations" shall mean securities that are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America that, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act of 1933, as amended) as custodian with respect to any such Governmental Obligation or a specific payment of principal of or interest on any such Governmental Obligation held by such custodian for the account of the holder of such depository receipt; provided, however, that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Governmental Obligation or the specific payment of principal of or interest on the Governmental Obligation evidenced by such depository receipt.

herein, hereof and hereunder:

The terms "herein", "hereof", and "hereunder" and other words of similar import, refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Indenture:

The term "Indenture" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into in accordance with the

terms hereof.

Interest Payment Date:

The term "Interest Payment Date", when used with respect to any installment of interest on a Debt Security of a particular series, means the date specified in such Debt Security or in a Board Resolution or in an indenture supplemental hereto with respect to such series as the fixed date on which an installment of interest with respect to Debt Securities of that series is due and payable.

Officers' Certificate:

The term "Officers' Certificate" shall mean a certificate signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Controller or an Assistant Controller or the Secretary or an Assistant Secretary of the Company that is delivered to the Trustee in accordance with the terms hereof. Each such certificate shall include the statements provided for in Section 13.07, if and to the extent required by the provisions thereof.

Opinion of Counsel:

The term "Opinion of Counsel" shall mean an opinion in writing of legal counsel, who may be an employee of or counsel for the Company, that is delivered to the Trustee in accordance with the terms hereof. Each such opinion shall include the statements provided for in Section 13.07, if and to the extent required by the provisions thereof.

Outstanding:

The term "Outstanding", when used with reference to Debt Securities of any series, means, subject to the provisions of Section 8.04, as of any particular time, all Debt Securities of that series theretofore authenticated and delivered by the Trustee under this Indenture, except (a) Debt Securities theretofore canceled by the Trustee or any paying agent, or delivered to the Trustee or any paying agent for cancellation or that have previously been canceled; (b) Debt Securities or portions thereof for the payment or redemption of which moneys or Governmental Obligations in the necessary amount shall have been deposited in trust with the Trustee or with any paying agent (other than the Company) or shall have been set aside and segregated in trust by the Company (if the Company shall act as its own paying agent); provided, however, that if such Debt Securities or portions of such Debt Securities are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article III provided, or provision satisfactory to the Trustee shall have been made for giving such notice, (c) Debt Securities in lieu of or in substitution for which other Debt Securities shall have been authenticated and delivered pursuant to the terms of Section 2.07; and (d) Debt Securities with respect to which the Company has effected defeasance and/or covenant defeasance as provided in Article XI.

Person:

The term "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, joint-stock company, unincorporated organization or government or any agency or political subdivision thereof, or any other entity of whatever nature.

Predecessor Security:

The term "Predecessor Security" of any particular Debt Security means every previous Debt Security evidencing all or a portion of the same debt and guarantee as that evidenced by such particular Debt Security; and, for the purposes of this definition, any Debt Security authenticated and delivered under Section 2.07 in lieu of a lost, destroyed or stolen Debt Security shall be deemed to evidence the same debt as the lost, destroyed or stolen Debt Security.

Preferred Securities:

The term "Preferred Securities" shall mean undivided beneficial interests in the assets of a Trust which rank pari passu with Common Securities issued by such trust; provided, however, that upon the occurrence of an Event of Default, the rights of holders of Common Securities to payment in respect of distributions and payments upon liquidation, redemption and otherwise are subordinated to the rights of holders of Preferred Securities.

Preferred Securities Guarantee:

The term "Preferred Securities Guarantee" shall mean any guarantee that the Company may enter into with a Trust or other Persons that operate directly or indirectly

for the benefit of holders of Preferred Securities of such Trust.

Property Trustee:

The term "Property Trustee" shall mean the entity performing the functions of the Property Trustee of a Trust under the applicable Declaration of such Trust.

Responsible Officer:

The term "Responsible Officer," when used with respect to the Trustee, means the Chairman of the board of directors, the President, any Vice President, the Secretary, the Treasurer, any trust officer, any corporate trust officer or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of that officer's knowledge of and familiarity with the particular subject.

Securityholder, Holder, holder of Debt Securities, registered holder:

The terms "Securityholder", "Holder", "Holder of Debt Securities", "registered holder", or other similar term, means the Person or Persons in whose name or names a particular Debt Security shall be registered on the books of the Company kept for that purpose in accordance with the terms of this Indenture.

Security Register and Security Registrar:

The terms "Security Register" and "Security Registrar" have the respective meanings set forth in Section 2.05.

Subsidiary:

The term "Subsidiary" shall mean, with respect to any Person, (i) any corporation at least a majority of whose outstanding Voting Stock shall at the time be owned, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, (ii) any general partnership, joint venture or similar entity, at least a majority of whose outstanding partnership or similar interests shall at the time be owned by such Person, or by one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries and (iii) any limited partnership of which such Person or any of its Subsidiaries is a general partner.

Trust:

The term "Trust" shall mean any Delaware business trust formed by the Company for the purpose of purchasing Debt Securities of the Company.

Trustee:

The term "Trustee" shall mean The First National Bank of Chicago, not in its individual capacity, and, subject to the provisions of Article VII, shall also include its successors and assigns, and, if at any time there is more than one Person acting in such capacity hereunder, "Trustee" shall mean each such Person. The term "Trustee," as used with respect to a particular series of Debt Securities, shall mean the trustee with respect to that series.

Trust Indenture Act:

The term "Trust Indenture Act" shall mean the Trust Indenture Act of 1939.

Trust Securities:

The term "Trust Securities" shall mean Common Securities and Preferred Securities.

Voting Stock:

The term "Voting Stock", as applied to stock of any Person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such Person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such Person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

SECTION 1.02. Interpretation. Each definition in this Indenture includes the singular and the plural, and references to the neuter gender include the masculine and feminine where appropriate. Terms which relate to accounting matters shall be interpreted in accordance with

generally accepted accounting principles in effect from time to time. References to any statute mean such statute as amended at the time and include any successor legislation. The word "or" is not exclusive, and the words "herein," "hereof" and "hereunder" refer to this Indenture as a whole. The headings to the Articles and Sections are for convenience of reference and shall not affect the meaning or interpretation of this Indenture. References to Articles and Sections mean the Articles and Sections of this Indenture.

ARTICLE II

ISSUE, DESCRIPTION, TERMS, EXECUTION, REGISTRATION AND EXCHANGE OF DEBT SECURITIES

SECTION 2.01. Designation and Terms of Debt Securities. The aggregate principal amount of Debt Securities that may be authenticated and delivered under this Indenture is unlimited. The Debt Securities may be issued in one or more series up to the aggregate principal amount of Debt Securities of that series from time to time authorized by or pursuant to a Board Resolution of the Company or pursuant to one or more indentures supplemental hereto. Prior to the initial issuance of Debt Securities of any series, there shall be established in or pursuant to a Board Resolution of the Company, and set forth in an Officers' Certificate of the Company, or established in one or more indentures supplemental hereto:

(1) the title of the series of Debt Security (which shall distinguish the Debt Securities of that series from all other series of Debt Securities);

(2) any limit upon the aggregate principal amount of the Debt Securities of that series that may be authenticated and delivered under this Indenture (except for Debt Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Debt Securities of that series);

(3) the date or dates on which the principal of the Debt Securities of that series is payable;

(4) the rate or rates at which the Debt Securities of that series shall bear interest or the manner of calculation of such rate or rates, if any;

(5) the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest will be payable or the manner of determination of such Interest Payment Dates and the record date for the determination of holders to whom interest is payable on any such Interest Payment Dates;

(6) the right, if any, to extend the interest payment periods and the duration of such extension;

(7) the period or periods within which, the price or prices at which, and the terms and conditions upon which, Debt Securities of that series may be redeemed, in whole or in part, at the option of the Company;

(8) the obligation, if any, of the Company to redeem or purchase Debt Securities of that series pursuant to any sinking fund or analogous provisions (including payments made in cash in anticipation of future sinking fund obligations) or at the option of a Holder thereof and the period or periods within which, the price or prices at which, and the terms and conditions upon which, Debt Securities of that series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(9) the subordination terms of the Debt Securities of that series;

(10) the form of the Debt Securities of that series, including the form of the Certificate of Authentication for such series;

(11) if other than denominations of twenty-five U.S. dollars (\$25) or any integral multiple thereof, the denominations in which the Debt Securities of that series shall be issuable;

(12) whether and under what circumstances the Company will pay additional amounts on the Debt Securities of the series to any Holder who is not a United States Person (including any modification to the definition of such term) in respect of any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Debt Securities rather than pay such additional amounts (and the terms of any such option);

(13) any and all other terms with respect to such series (which terms shall not be inconsistent with the terms of this Indenture), including any terms which may be required by or advisable under United States laws or regulations or advisable in connection with the marketing of Debt Securities of that series; and

(14) whether the Debt Securities are issuable as a Global Security and, in such case, the identity of the Depositary for such series.

All Debt Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to any such Board Resolution or in any indentures supplemental hereto.

If any of the terms of a series are established by action taken pursuant to a Board Resolution of the Company, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate of the Company setting forth the terms of such series.

SECTION 2.02. Form of Debt Securities and Trustee's Certificate. The Debt Securities of any series and the Trustee's certificate of authentication to be borne by such Debt Securities shall be substantially of the tenor and purport as set forth in one or more indentures supplemental hereto or as provided in a Board Resolution of the Company and as set forth in an Officers' Certificate of the Company, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which Debt Securities of that series may be listed, or to conform to usage.

SECTION 2.03. Denominations; Provisions for Payment. The Debt Securities shall be issuable as registered Debt Securities and in the denominations of twenty-five U.S. dollars (\$25) or any integral multiple thereof, subject to Section 2.01(11). The Debt Securities of a particular series shall bear interest payable on the dates and at the rate specified with respect to that series. The principal of and the interest on the Debt Securities of any series, as well as any premium thereon in case of redemption thereof prior to maturity, shall be payable in the coin or currency of the United States of America that at the time is legal tender for public and private debt, at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City and State of New York. Each Debt Security shall be dated the date of its authentication. Interest on the Debt Securities shall be computed on the basis of a 360-day year composed of twelve 30-day months.

The interest installment on any Debt Security that is payable, and is punctually paid or duly provided for, on any Interest Payment Date for Debt Securities of that series shall be paid to the Person in whose name said Debt Security (or one or more Predecessor Debt Securities) is registered at the close of business on the regular record date for such interest installment. In the event that any Debt Security of a particular series or portion thereof is called for redemption and the redemption date is subsequent to a regular record date with respect to any Interest Payment Date and prior to such Interest Payment Date, interest on such Debt Security will be paid upon presentation and surrender of such Debt Security as provided in Section 3.03.

Any interest on any Debt Security that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date for Debt Securities of that series (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered holder on the relevant regular record date by virtue of having been such holder; and such Defaulted Interest shall be paid by the Company, at its election, as provided in clause (1) or clause (2) below:

(1) The Company may make payment of any Defaulted Interest on Debt Securities to the Persons in whose names such Debt Securities (or their respective Predecessor Debt Securities) are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Debt Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the

proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a special record date for the payment of such Defaulted Interest which shall not be more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such special record date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the special record date therefor to be mailed, first class postage prepaid, to each Securityholder at the address of such Securityholder as it appears in the Security Register (as hereinafter defined), not less than 10 days prior to such special record date. Notice of the proposed payment of such Defaulted Interest and the special record date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Debt Securities (or their respective Predecessor Debt Securities) are registered on such special record date and shall be no longer payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on any Debt Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Debt Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustees of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Unless otherwise set forth in a Board Resolution of the Company or one or more indentures supplemental hereto establishing the terms of any series of Debt Securities pursuant to Section 2.01 hereof, the term "regular record date" as used in this Section with respect to a series of Debt Securities with respect to any Interest Payment Date for such series shall mean either (a) the fifteenth day of the month immediately preceding the month in which an Interest Payment Date established for such series pursuant to Section 2.01 hereof shall occur, if such Interest Payment Date is the first day of a month, (b) the fifteenth day of the month in which an Interest Payment Date established for such series pursuant to Section 2.01 hereof shall occur, if such Interest Payment Date is the last day of such month, or (c) the last day of the month immediately preceding the month in which an Interest Payment Date established for such series pursuant to Section 2.01 hereof shall occur, if such Interest Payment Date is the fifteenth day of a month, whether or not such date is a Business Day.

Subject to the foregoing provisions of this Section, each Debt Security of a series delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Debt Security of such series shall carry the rights to interest accrued and unpaid, and to accrue, that were carried by such other Debt Security.

SECTION 2.04. Execution and Authentication. The Debt Securities shall be signed on behalf of the Company by its President or one of its Vice Presidents, and attested by its Secretary or one of its Assistant Secretaries. Signatures may be in the form of a manual or facsimile signature. The Company may use the facsimile signature of any Person who shall have been a President or Vice President thereof, or of any Person who shall have been a Secretary or Assistant Secretary thereof, notwithstanding the fact that at the time the Debt Securities shall be authenticated and delivered or disposed of such Person shall have ceased to be the President or a Vice President, or the Secretary or an Assistant Secretary, of the Company. The seal, if any, of the Company may be in the form of a facsimile of such seal and may be impressed, affixed, imprinted or otherwise reproduced on the Debt Securities. The Debt Securities may contain such notations, legends or endorsements required by law, stock exchange rule or usage. Each Debt Security shall be dated the date of its authentication by the Trustee.

A Debt Security shall not be valid until authenticated manually by an authorized signatory of the Trustee, or by an Authenticating Agent. Such signature shall be conclusive evidence that the Debt Security so authenticated has been duly authenticated and delivered hereunder and that the holder is entitled to the benefits of this Indenture.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Debt Securities of any series executed by the Company to the Trustee for authentication, together with a written order of the Company for the authentication and delivery of such Debt Securities, signed by its President or

any Vice President and its Treasurer or any Assistant Treasurer, and the Trustee in accordance with such written order shall authenticate and deliver such Debt Securities.

In authenticating such Debt Securities and accepting the additional responsibilities under this Indenture in relation to such Debt Securities, the Trustee shall be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Opinion of Counsel stating that the form and terms thereof have been established in conformity with the provisions of this Indenture.

The Trustee shall not be required to authenticate such Debt Securities if the issue of such Debt Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Debt Securities and this Indenture or otherwise in a manner that is not reasonably acceptable to the Trustee.

SECTION 2.05. Registration of Transfer and Exchange.

(a) Debt Securities of any series may be exchanged upon presentation thereof at the office or agency of the Company designated for such purpose in the Borough of Manhattan, the City and State of New York, for other Debt Securities of such series of authorized denominations, and for a like aggregate principal amount, upon payment of a sum sufficient to cover any tax or other governmental charge in relation thereto, all as provided in this Section. In respect of any Debt Securities so surrendered for exchange, the Company shall execute, the Trustee shall authenticate and such office or agency shall deliver in exchange therefor the Debt Security or Debt Securities of the same series that the Securityholder making the exchange shall be entitled to receive, bearing numbers not contemporaneously outstanding.

(b) The Company shall keep, or cause to be kept, at its office or agency designated for such purpose in the Borough of Manhattan, the City and State of New York, or such other location designated by the Company a register or registers (herein referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall register the Debt Securities and the transfers of Debt Securities as in this Article provided and which at all reasonable times shall be open for inspection by the Trustee. The registrar for the purpose of registering Debt Securities and transfer of Debt Securities as herein provided shall be appointed as authorized by Board Resolution (the "Security Registrar").

Upon surrender for transfer of any Debt Security at the office or agency of the Company designated for such purpose in the Borough of Manhattan, the City and State of New York, the Company shall execute, the Trustee shall authenticate and such office or agency shall deliver in the name of the transferee or transferees a new Debt Security or Debt Securities of the same series and same aggregate principal amount as the Debt Security presented for transfer.

All Debt Securities presented or surrendered for exchange or registration of transfer, as provided in this Section, shall be accompanied (if so required by the Company or the Security Registrar) by a written instrument or instruments of transfer, in form satisfactory to the Company or the Security Registrar, duly executed by the registered holder or by such holder's duly authorized attorney in writing.

(c) No service charge shall be made for any exchange or registration of transfer of Debt Securities, or issue of new Debt Securities in case of partial redemption of any series, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge in relation thereto, other than exchanges pursuant to Section 2.06, Section 3.03(b) and Section 9.04 not involving any transfer.

(d) The Company shall not be required (i) to issue, exchange or register the transfer of any Debt Securities of a series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of less than all the Outstanding Debt Securities of the same series and ending at the close of business on the day of such mailing, nor (ii) to register the transfer of or exchange any Debt Securities of any series or portions thereof called for redemption. The provisions of this Section 2.05 are, with respect to any Global Security, subject to Section 2.11 hereof.

SECTION 2.06. Temporary Securities. Pending the preparation of definitive Debt Securities of any series, the Company may execute, and the Trustee shall authenticate and deliver, temporary Debt Securities (printed, lithographed or typewritten) of any authorized denomination. Such temporary

Debt Securities shall be substantially in the form of the definitive Debt Securities in lieu of which they are issued, but with such omissions, insertions and variations as may be appropriate for temporary Debt Securities, all as may be determined by the Company. Every temporary Debt Security of any series shall be executed by the Company and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Debt Securities of such series. Without unnecessary delay the Company will execute and will furnish definitive Debt Securities of such series and thereupon any or all temporary Debt Securities of such series may be surrendered in exchange therefor (without charge to the holders), at the office or agency of the Company designated for the purpose in the Borough of Manhattan, the City and State of New York, and the Trustee shall authenticate and such office or agency shall deliver in exchange for such temporary Debt Securities an equal aggregate principal amount of definitive Debt Securities of such series, unless the Company advises the Trustee to the effect that definitive Debt Securities need not be executed and furnished until further notice from the Company. Until so exchanged, the temporary Debt Securities of such series shall be entitled to the same benefits under this Indenture as definitive Debt Securities of such series authenticated and delivered hereunder.

SECTION 2.07. Mutilated, Destroyed, Lost or Stolen Debt Securities. In case any temporary or definitive Debt Security shall become mutilated or be destroyed, lost or stolen, the Company (subject to the next succeeding sentence) shall execute, and upon the Company's request the Trustee (subject as aforesaid) shall authenticate and deliver, a new Debt Security of the same series, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated Debt Security, or in lieu of and in substitution for the Debt Security so destroyed, lost or stolen. In every case the applicant for a substituted Debt Security shall furnish to the Company and the Trustee such security or indemnity as may be required by them to save each of them harmless, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Company and the Trustee evidence to their satisfaction of the destruction, loss or theft of the applicant's Debt Security and of the ownership thereof. The Trustee may authenticate any such substituted Debt Security and deliver the same upon the written request or authorization of any officer of the Company. Upon the issuance of any substituted Debt Security, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith. In case any Debt Security that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Company may, instead of issuing a substitute Debt Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Debt Security) if the applicant for such payment shall furnish to the Company and the Trustee such security or indemnity as they may require to save them harmless, and, in case of destruction, loss or theft, evidence to the satisfaction of the Company and the Trustee of the destruction, loss or theft of such Debt Security and of the ownership thereof.

Every replacement Debt Security issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Company, whether or not the mutilated, destroyed, lost or stolen Debt Security shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Debt Securities of the same series duly issued hereunder. All Debt Securities shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Debt Securities, and shall preclude (to the extent lawful) any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 2.08. Cancellation. All Debt Securities surrendered for the purpose of payment, redemption, exchange or registration of transfer shall, if surrendered to the Company or any paying agent, be delivered to the Trustee for cancellation, or, if surrendered to the Trustee, shall be cancelled by it, and no Debt Securities shall be issued in lieu thereof except as expressly required or permitted by any of the provisions of this Indenture. On request of the Company at the time of such surrender, the Trustee shall deliver to the Company canceled Debt Securities held by the Trustee. In the absence of such request the Trustee may dispose of canceled Debt Securities in accordance with its standard procedures and deliver a certificate of disposition to the Company. If the Company shall otherwise acquire any

of the Debt Securities, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Debt Securities unless and until the same are delivered to the Trustee for cancellation.

SECTION 2.09. Benefits of Indenture. Nothing in this Indenture or in the Debt Securities, express or implied, shall give or be construed to give to any Person, other than the parties hereto and the holders of the Debt Securities (and, with respect to the provisions of Article XIV, the holders of any indebtedness to which the Debt Securities are subordinated) any legal or equitable right, remedy or claim under or in respect of this Indenture, or under any covenant, condition or provision herein contained; all such covenants, conditions and provisions being for the sole benefit of the parties hereto and of the holders of the Debt Securities (and, with respect to the provisions of Article XIV, the holders of any indebtedness to which the Debt Securities are subordinated).

SECTION 2.10. Authenticating Agent. So long as any Debt Securities of any series remain Outstanding, there may be an Authenticating Agent for any or all such series of Debt Securities which the Trustee shall have the right to appoint. Said Authenticating Agent shall be authorized to act on behalf of the Trustee to authenticate Debt Securities of such series issued upon exchange, transfer or partial redemption thereof, and Debt Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. All references in this Indenture to the authentication of Debt Securities by the Trustee shall be deemed to include authentication by an Authenticating Agent for such series. Each Authenticating Agent shall be acceptable to the Company and shall be a corporation that has a combined capital and surplus, as most recently reported or determined by it, sufficient under the laws of any jurisdiction under which it is organized or in which it is doing business to conduct a trust business, and that is otherwise authorized under such laws to conduct such business and is subject to supervision or examination by federal or state authorities. If at any time any Authenticating Agent shall cease to be eligible in accordance with these provisions, it shall resign immediately.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee may at any time (and upon request by the Company shall) terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon resignation, termination or cessation of eligibility of any Authenticating Agent, the Trustee may appoint an eligible successor Authenticating Agent acceptable to the Company. Any successor Authenticating Agent, upon acceptance of its appointment hereunder, shall become vested with all the rights, powers and duties of its predecessor hereunder as if originally named as an Authenticating Agent pursuant hereto.

SECTION 2.11. Global Securities. (a) If the Company shall establish pursuant to Section 2.01 that the Debt Securities of a particular series are to be issued as a Global Security or Securities, then the Company shall execute and the Trustee shall, in accordance with Section 2.04, authenticate and deliver, a Global Security that (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Debt Securities of such series, (ii) shall be registered in the name of the Depository or its nominee, (iii) shall be delivered by the Trustee to the Depository or pursuant to the Depository's instruction and (iv) shall bear a legend substantially to the following effect: "Except as otherwise provided in Section 2.11 of the Indenture, this Debt Security may be transferred, in whole but not in part, only to another nominee of the Depository or to a successor Depository or to a nominee of such successor Depository."

(b) Notwithstanding the provisions of Section 2.05, the Global Security or Securities of a series may be transferred, in whole but not in part and in the manner provided in Section 2.05, only to another nominee of the Depository for such series, or to a successor Depository for such series selected or approved by the Company or to a nominee of such successor Depository.

(c) If at any time the Depository for a series of Debt Securities notifies the Company that it is unwilling or unable to continue as Depository for such series or if at any time the Depository for such series shall no longer be registered or in good standing under the Exchange Act, or other applicable statute or regulation, at a time when the Depository is required to be so registered to act as such Depository and a successor Depository for such series is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such condition, as the case may be, this Section 2.11 shall no longer be

applicable to the Debt Securities of such series and the Company will execute, and subject to Section 2.05, the Trustee will authenticate and deliver the Debt Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security or Securities of such series in exchange for such Global Security or Securities. In addition, the Company may at any time determine that the Debt Securities of any series shall no longer be represented by a Global Security or Securities and that the provisions of this Section 2.11 shall no longer apply to the Debt Securities of such series. In such event, the Company will execute and subject to Section 2.05, the Trustee, upon receipt of an Officers' Certificate evidencing such determination by the Company, will authenticate and deliver the Debt Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security or Securities of such series in exchange for such Global Security or Securities. Upon the exchange of the Global Security or Securities for such Debt Securities in definitive registered form without coupons, in authorized denominations, the Global Security or Securities shall be canceled by the Trustee. Such Debt Securities in definitive registered form issued in exchange for the Global Security or Securities pursuant to this Section 2.11(c) shall be registered in such names and in such authorized denominations as the Depository, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Debt Securities to the Depository for delivery to the Persons in whose names such Debt Securities are so registered.

ARTICLE III

REDEMPTION OF DEBT SECURITIES AND SINKING FUND PROVISIONS

SECTION 3.01. Redemption. The Company may redeem the Debt Securities of any series issued hereunder on and after the dates and in accordance with the terms established for such series pursuant to Section 2.01 hereof.

SECTION 3.02. Notice of Redemption. (a) In case the Company shall desire to exercise such right to redeem all or, as the case may be, a portion of the Debt Securities of any series in accordance with the right reserved so to do, the Company shall, or shall cause the Trustee to, give notice of such redemption to holders of the Debt Securities of such series to be redeemed by mailing, first class postage prepaid, a notice of such redemption not less than 30 days and not more than 90 days before the date fixed for redemption of that series to such holders at their last addresses as they shall appear upon the Security Register unless a shorter period is specified in the Debt Securities to be redeemed. Any notice that is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the registered holder receives the notice. In any case, failure duly to give such notice to the holder of any Debt Security of any series designated for redemption in whole or in part, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of any other Debt Securities of such series or any other series. In the case of any redemption of Debt Securities prior to the expiration of any restriction on such redemption provided in the terms of such Debt Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with any such restriction.

Each such notice of redemption shall specify the date fixed for redemption and the redemption price at which Debt Securities of that series are to be redeemed, and shall state that payment of the redemption price of such Debt Securities to be redeemed will be made at the office or agency of the Company in the Borough of Manhattan, the City and State of New York, upon presentation and surrender of such Debt Securities, that interest accrued to the date fixed for redemption will be paid as specified in said notice, that from and after said date interest will cease to accrue and that the redemption is for a sinking fund, if such is the case. If less than all the Debt Securities of a series are to be redeemed, the notice to the holders of Debt Securities of that series to be redeemed in whole or in part shall specify the particular Debt Securities to be so redeemed. In case any Debt Security is to be redeemed in part only, the notice that relates to such Debt Security shall state the portion of the principal amount thereof to be redeemed, and shall state that on and after the redemption date, upon surrender of such Debt Security, a new Debt Security or Debt Securities of such series in principal amount equal to the unredeemed portion thereof will be issued.

(b) If less than all the Debt Securities of a series are to be redeemed, the Company shall give the

Trustee at least 45 days' notice in advance of the date fixed for redemption as to the aggregate principal amount of Debt Securities of the series to be redeemed, and thereupon the Trustee shall select, by lot or in such other manner as it shall deem appropriate and fair in its discretion and that may provide for the selection of a portion or portions (equal to twenty-five U.S. dollars (\$25) or any integral multiple thereof) of the principal amount of such Debt Securities of a denomination larger than \$25, the Debt Securities to be redeemed and shall thereafter promptly notify the Company in writing of the numbers of the Debt Securities to be redeemed, in whole or in part.

The Company may, if and whenever it shall so elect, by delivery of instructions signed on its behalf by its President or any Vice President, instruct the Trustee or any paying agent to call all or any part of the Debt Securities of a particular series for redemption and to give notice of redemption in the manner set forth in this Section, such notice to be in the name of the Company or its own name as the Trustee or such paying agent may deem advisable. In any case in which notice of redemption is to be given by the Trustee or any such paying agent, the Company shall deliver or cause to be delivered to, or permit to remain with, the Trustee or such paying agent, as the case may be, such Security Register, transfer books or other records, or suitable copies or extracts therefrom, sufficient to enable the Trustee or such paying agent to give any notice by mail that may be required under the provisions of this Section.

SECTION 3.03. Payment Upon Redemption.

(a) If the giving of notice of redemption shall have been completed as above provided, the Debt Securities or portions of Debt Securities of the series to be redeemed specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption and interest on such Debt Securities or portions of Debt Securities shall cease to accrue on and after the date fixed for redemption, unless the Company shall default in the payment of such redemption price and accrued interest with respect to any such Debt Security or portion thereof. On presentation and surrender of such Debt Securities on or after the date fixed for redemption at the place of payment specified in the notice, said Debt Securities shall be paid and redeemed at the applicable redemption price for such series, together with interest accrued thereon to the date fixed for redemption (but if the date fixed for redemption is an interest payment date, the interest installment payable on such date shall be payable to the registered holder at the close of business on the applicable record date pursuant to Section 2.03).

(b) Upon presentation of any Debt Security of such series that is to be redeemed in part only, the Company shall execute and the Trustee shall authenticate and the office or agency where the Debt Security is presented shall deliver to the holder thereof, at the expense of the Company, a new Debt Security or Debt Securities of the same series, of authorized denominations in principal amount equal to the unredeemed portion of the Debt Security so presented.

SECTION 3.04. Sinking Fund. The provisions of Sections 3.04, 3.05 and 3.06 shall be applicable to any sinking fund for the retirement of Debt Securities of a series, except as otherwise specified as contemplated by Section 2.01 for Debt Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Debt Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Debt Securities of any series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Debt Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 3.05. Each sinking fund payment shall be applied to the redemption of Debt Securities of any series as provided for by the terms of Debt Securities of such series.

SECTION 3.05. Satisfaction of Sinking Fund Payments with Debt Securities. The Company (i) may deliver Outstanding Debt Securities of a series (other than any Debt Securities previously called for redemption) and (ii) may apply as a credit Debt Securities of a series that have been redeemed either at the election of the Company pursuant to the terms of such Debt Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Debt Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Debt Securities of such series required to be made pursuant to the terms of such Debt Securities as provided for by the terms of such series, provided that such Debt

Securities have not been previously so credited. Such Debt Securities shall be received and credited for such purpose by the Trustee at the redemption price specified in such Debt Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

SECTION 3.06. Redemption of Debt Securities for Sinking Fund. Not less than 45 days prior to each sinking fund payment date for any series of Debt Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of such series, the portion thereof, if any, that is to be satisfied by delivering and crediting Debt Securities of that series pursuant to Section 3.05 and the basis for such credit and will, together with such Officers' Certificate, deliver to the Trustee any Debt Securities to be so delivered. Not less than 30 days before each such sinking fund payment date, the Trustee shall select the Debt Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 3.02 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 3.02. Such notice having been duly given, the redemption of such Debt Securities shall be made upon the terms and in the manner stated in Section 3.03.

ARTICLE IV

COVENANTS OF THE COMPANY

SECTION 4.01. Payment of Principal, Premium and Interest. The Company will duly and punctually pay or cause to be paid the principal of (and premium, if any) and interest on the Debt Securities of each series at the time and place and in the manner provided herein and established with respect to such Debt Securities.

SECTION 4.02. Maintenance of Office or Agency. So long as any series of the Debt Securities remain Outstanding, the Company agrees to maintain an office or agency in the Borough of Manhattan, the City and State of New York, with respect to each such series and at such other location or locations as may be designated as provided in this Section 4.02, where (i) Debt Securities of such series may be presented for payment, (ii) Debt Securities of such series may be presented as hereinabove authorized for registration of transfer and exchange, and (iii) notices and demands to or upon the Company in respect of the Debt Securities of such series and this Indenture may be given or served, such designation to continue with respect to such office or agency until the Company shall, by written notice signed by its President or a Vice President and delivered to the trustee, designate some other office or agency for such purposes or any of them. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, notices and demands.

SECTION 4.03. Paying Agents.

(a) If the Company shall appoint one or more paying agents for all or any series of the Debt Securities, other than the Trustee, the Company will cause each such paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section:

(1) that it will hold all sums held by it as such agent for the payment of the principal of (and premium, if any) or interest on the Debt Securities of that series (whether such sums have been paid to it by the Company or by any other obligor of such Debt Securities) in trust for the benefit of the Persons entitled thereto;

(2) that it will give the Trustee notice of any failure by the Company to make any payment of the principal of (and premium, if any) or interest on the Debt Securities of that series when the same shall be due and payable;

(3) that it will, at any time during the continuance of any failure referred to in the preceding paragraph (a)(2) above, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such paying agent; and

(4) that it will perform all other duties of paying agent as set forth in this Indenture.

(b) If the Company shall act as its own paying

agent with respect to any series of the Debt Securities, it will on or before each due date of the principal of (and premium, if any) or interest on Debt Securities of that series, set aside, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay such principal (and premium, if any) or interest so becoming due on Debt Securities of that series until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of such action, or any failure by it to take such action. Whenever the Company shall have one or more paying agents for any series of Debt Securities, it will, on or before each due date of the principal of (and premium, if any) or interest on any Debt Securities of that series, deposit with the paying agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such paying agent is the Trustee) the Company will promptly notify the Trustee of such deposit or failure so to deposit.

(c) Notwithstanding anything in this Section to the contrary, (i) the agreement to hold sums in trust as provided in this Section is subject to the provisions of Section 11.05, and (ii) the Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or direct any paying agent to pay, to the Trustee all sums held in trust by the Company or such paying agent, such sums to be held by the Trustee upon the same terms and conditions as those upon which such sums were held by the Company or such paying agent; and, upon such payment by any paying agent to the Trustee, such paying agent shall be released from all further liability with respect to such money.

SECTION 4.04. Appointment to Fill Vacancy in Office of Trustee. The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.10, a Trustee, so that there shall at all times be a Trustee hereunder.

SECTION 4.05. Compliance with Consolidation Provisions. The Company will not, while any of the Debt Securities remain Outstanding, consolidate with, or merge into, or merge into itself, or sell or convey all or substantially all of its property to any other company unless the provisions of Article X hereof are complied with.

SECTION 4.06. Limitation on Dividends; Transactions with Affiliates.

(a) If Debt Securities are issued to a Trust or a trustee of such Trust in connection with the issuance of Preferred Securities by such Trust and (i) there shall have occurred any event that would constitute an Event of Default or (ii) the Company shall be in default with respect to its payment or any obligations under the Preferred Securities Guarantee relating to such Preferred Securities, then (x) the Company shall not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock (other than (A) purchases or acquisitions of shares of Company common stock in connection with the satisfaction by the Company of its obligations under any employee benefit plans or any other contractual obligations of the Company, other than a contractual obligation ranking *pari passu* with or junior to the Debt Securities), (B) as a result of a reclassification of Company capital stock or the exchange or conversion of one class or series of Company capital stock for another class or series of Company capital stock, or (C) the purchase of fractional interests in shares of Company capital stock pursuant to the conversion or exchange provisions of such Company capital stock or the security being converted or exchanged), (y) the Company shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by the Company which rank *pari passu* with or junior to such Debt Securities and (z) the Company shall not make guarantee payments with respect to the foregoing (other than pursuant to Preferred Securities Guarantees).

(b) If Debt Securities are issued to a Trust or a trustee of such Trust in connection with the issuance of Trust Securities by such Trust and the Company shall have given notice of its election to defer payments of interest on such Debt Securities by extending the interest payment period as provided in any indenture supplemental hereto and such period, or any extension thereof, shall be continuing, then (i) the Company shall not declare or pay any dividend, or make any distributions with respect to, or redeem, purchase or make a liquidation payment with respect to, any of its capital stock (other than (A) purchases or acquisitions of shares of Company common stock in connection with the satisfaction by the Company of its obligations under any employee benefit plans or any other contractual obligations of the Company, other than a contractual

obligation ranking pari passu with or junior to the Debt Securities) (B) as a result of a reclassification of Company capital stock or the exchange or conversion of one class or series of Company capital stock for another class or series of Company capital stock, or (C) the purchase of fractional interests in shares of Company capital stock pursuant to the conversion or exchange provisions of such Company capital stock or the security being converted or exchanged), (ii) the Company shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by the Company which rank pari passu with or junior to such Debt Securities and (iii) the Company shall not make any guarantee payments with respect to the foregoing (other than pursuant to Preferred Securities Guarantees).

SECTION 4.07. Covenants as to Trust. In the event Debt Securities are issued and sold to a Trust in connection with the issuance of Trust Securities by such Trust, for so long as such Trust Securities remain outstanding, the Company will (i) maintain 100% direct or indirect ownership of the Common Securities of such Trust; provided, however, that any permitted successor of the Company under the Indenture may succeed to the Company's ownership of such Common Securities, (ii) not cause, as sponsor of such Trust, or permit, as holder of Common Securities of such Trust, the dissolution, winding-up or termination of such trust, except in connection with a distribution of Debt Securities as provided in the Declaration and in connection with certain mergers, consolidations or amalgamations permitted by the Declaration and (iii) use its reasonable efforts to cause such Trust (a) to remain a business trust, except in connection with a distribution of Debt Securities, the redemption of all of the Trust Securities of such Trust or certain mergers, consolidations or amalgamations, each as permitted by the Declaration of such Trust, and (b) to otherwise continue to be classified for United States federal income tax purposes as a grantor trust.

SECTION 4.08. Corporate Existence. The Company will, subject to the provisions of Article X, at all times maintain its corporate existence and right to carry on business and will duly procure all renewals and extensions thereof, and, to the extent necessary or desirable in the operation of its business, will use its best efforts to maintain, preserve and renew all of its rights, powers, privileges and material franchises.

ARTICLE V

SECURITYHOLDERS, LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE

SECTION 5.01. Company to Furnish Trustee Names and Addresses of Securityholders. The Company will furnish or cause to be furnished to the Trustee (a) on a quarterly basis on each regular record date (as defined in Section 2.03) a list, in such form as the Trustee may reasonably require, of the names and addresses of the holders of each series of Debt Securities as of such regular record date, provided that the Company shall not be obligated to furnish or cause to be furnished such list at any time that such list shall not differ in any respect from the most recent list furnished to the Trustee by the Company and (b) at such other times as the Trustee may request in writing within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished; provided, however, that in either case, no such list need be furnished for any series of Debt Securities for which the Trustee shall be the Security Registrar.

SECTION 5.02. Preservation Of Information;
Communications With Securityholders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the holders of Debt Securities contained in the most recent list furnished to it as provided in Section 5.01 and as to the names and addresses of holders of Debt Securities received by the Trustee in its capacity as Security Registrar (if acting in such capacity).

(b) The Trustee may destroy any list furnished to it as provided in Section 5.01 upon receipt of a new list so furnished.

(c) Securityholders may communicate as provided in Section 312(b) of the Trust Indenture Act with other Securityholders with respect to their rights under this Indenture or under the Debt Securities.

SECTION 5.03. Reports By the Company.

(a) The Company covenants and agrees to file with

the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) that the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the Commission, in accordance with the rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports that may be required pursuant to Section 13 of the Exchange Act, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations.

(b) The Company covenants and agrees to file with the Trustee and the Commission, in accordance with the rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations.

(c) The Company covenants and agrees to transmit by mail, first class postage prepaid, or reputable overnight delivery service that provides for evidence of receipt, to the Securityholders, as their names and addresses appear upon the Security Register, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

SECTION 5.04. Reports by the Trustee.

(a) Within 60 days after May 15 of each year in which any of the Debt Securities are Outstanding, the Trustee shall transmit by mail, first class postage prepaid, to the Securityholders, as their names and addresses appear upon the Security Register, a brief report dated as of the preceding May 15, if and to the extent required under Section 313(a) of the Trust Indenture Act.

(b) The Trustee shall comply with Sections 313(b) and 313(c) of the Trust Indenture Act.

(c) A copy of each such report shall, at the time of such transmission to Securityholders, be filed by the Trustee with the Company, with each stock exchange upon which any Debt Securities are listed (if so listed) and also with the Commission. The Company agrees to notify the Trustee when any Debt Securities become listed on any stock exchange.

ARTICLE VI

REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT

SECTION 6.01. Events of Default.

(a) Whenever used herein with respect to Debt Securities of a particular series, "Event of Default" means any one or more of the following events that has occurred and is continuing:

(1) the Company defaults in the payment of any installment of interest upon any of the Debt Securities of that series, as and when the same shall become due and payable, and continuance of such default for a period of 30 days; provided, however, that a valid extension of an interest payment period by the Company in accordance with the terms of any indenture supplemental hereto, shall not constitute a default in the payment of interest for this purpose;

(2) the Company defaults in the payment of the principal of (or premium, if any, on) any of the Debt Securities of that series as and when the same shall become due and payable whether at maturity, upon redemption, by declaration or otherwise, or in any payment required by any sinking or analogous fund established with respect to that series;

(3) the Company fails to observe or perform any other of its covenants or agreements with respect to that series contained in this Indenture or otherwise established with respect to that series of Debt Securities pursuant to Section 2.01 hereof (other than a covenant or agreement that has been expressly included in this Indenture solely for the benefit of one or more series of Debt Securities other than such

series) for a period of 90 days after the date on which written notice of such failure, requiring the same to be remedied and stating that such notice is a "Notice of Default" hereunder, shall have been given to the Company by the Trustee, by registered or certified mail, or to the Company and the Trustee by the holders of at least 25% in principal amount of the Debt Securities of that series at the time Outstanding;

(4) the Company pursuant to or within the meaning of any Bankruptcy Law (i) commences a voluntary case, (ii) consents to the entry of an order for relief against it in an involuntary case, (iii) consents to the appointment of a Custodian of it or for all or substantially all of its property or (iv) makes a general assignment for the benefit of its creditors;

(5) a court of competent jurisdiction enters an order under any Bankruptcy Law that (i) is for relief against the Company in an involuntary case, (ii) appoints a Custodian of the Company for all or substantially all of its property, or (iii) orders the liquidation of the Company, and the order or decree remains unstayed and in effect for 90 days; or

(6) in the event Debt Securities are issued and sold to a Trust of the Company in connection with the issuance of Trust Securities by such Trust, such Trust shall have voluntarily or involuntarily dissolved, wound-up its business or otherwise terminated its existence except in connection with (i) the distribution of Debt Securities to holders of Trust Securities in liquidation of their interests in such Trust, (ii) the redemption of all outstanding Trust Securities of such Trust, and (iii) mergers, consolidations or amalgamations, each as permitted by the Declaration of such Trust.

(b) If an Event of Default described in clauses 1, 2, 3 or 6 of Section 6.01(a) with respect to Debt Securities of any series at the time outstanding occurs and is continuing, unless the principal of all the Debt Securities of that series shall have already become due and payable, either the Trustee or the holders of not less than 25% in aggregate principal amount of the Debt Securities of that series then Outstanding hereunder, by notice in writing to the Company (and to the Trustee, if given by such Securityholders), may declare the principal of all the Debt Securities of that series to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, notwithstanding anything contained in this Indenture or in the Debt Securities of that series or established with respect to that series pursuant to Section 2.01 to the contrary. If an Event of Default specified in clause (4) or (5) of Section 6.01(a) occurs or is continuing, then the principal amount of all the Debt Securities shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Securityholder.

(c) At any time after the principal of the Debt Securities of that series shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the holders of a majority in aggregate principal amount of the Debt Securities of that series then Outstanding hereunder, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if: (i) the Company has paid or deposited with the Trustee a sum sufficient to pay all matured installments of interest upon all the Debt Securities of that series and the principal of (and premium, if any, on) any and all Debt Securities of that series that shall have become due otherwise than by acceleration (with interest upon such principal and premium, if any, and, to the extent that such payment is enforceable under applicable law, upon overdue installments of interest, at the rate per annum expressed in the Debt Securities of that series to the date of such payment or deposit) and the amount payable to the Trustee under Section 7.06, and (ii) any and all Events of Default under the Indenture with respect to such series, other than the nonpayment of principal on Debt Securities of that series that shall not have become due by their terms, shall have been remedied or waived as provided in Section 6.06.

No such rescission and annulment shall extend to or shall affect any subsequent default or impair any right consequent thereon.

(d) In case the Trustee shall have proceeded to enforce any right with respect to Debt Securities of that series under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored

respectively to their former positions and rights hereunder, and all rights, remedies and powers of the Company and the Trustee shall continue as though no such proceedings had been taken.

SECTION 6.02. Collection of Indebtedness and Suits for Enforcement by Trustee.

(a) The Company covenants that (1) in case it shall default in the payment of any installment of interest on any of the Debt Securities of a series, or any payment required by any sinking or analogous fund established with respect to that series as and when the same shall have become due and payable, and such default shall have continued for a period of 90 days, or (2) in case it shall default in the payment of the principal of (or premium, if any, on) any of the Debt Securities of a series when the same shall have become due and payable, whether upon maturity of the Debt Securities of a series or upon redemption or upon declaration or otherwise, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the Debt Securities of that series, the whole amount that then shall have become due and payable on all such Debt Securities for principal (and premium, if any) or interest, or both, as the case may be, with interest upon the overdue principal (and premium, if any) and (to the extent that payment of such interest is enforceable under applicable law and, if the Debt Securities are held by a Trust, without duplication of any other amounts paid by such Trust in respect thereof) upon overdue installments of interest at the rate per annum expressed in the Debt Securities of that series; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection and the amount payable to the Trustee under Section 7.06.

(b) If the Company shall fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon the Debt Securities of that series and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or other obligor upon the Securities of that series, wherever situated.

(c) In case of any receivership, insolvency, liquidation, bankruptcy, reorganization, readjustment, arrangement, composition or judicial proceedings affecting the Company or its creditors or property, the Trustee shall have power to intervene in such proceedings and take any action therein that may be permitted by the court and shall (except as may be otherwise provided by law) be entitled to file such proofs of claim and other papers and documents as may be necessary or advisable in order to have the claims of the Trustee and of the holders of Debt Securities of such series allowed for the entire amount due and payable by the Company under this Indenture at the date of institution of such proceedings and for any additional amount that may become due and payable by the Company after such date, and to collect and receive any moneys or other property payable or deliverable on any such claim, and to distribute the same after the deduction of the amount payable to the Trustee under Section 7.06; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of Debt Securities of such series to make such payments to the Trustee, and, in the event that the Trustee shall consent to the making of such payments directly to such Securityholders, to pay to the Trustee any amount due it under Section 7.06.

(d) All rights of action and of asserting claims under this Indenture, or under any of the terms established with respect to Debt Securities of that series, may be enforced by the Trustee without the possession of any of such Debt Securities, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for payment to the Trustee of any amounts due under Section 7.06, be for the ratable benefit of the holders of the Debt Securities of such series.

In case of an Event of Default hereunder, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the

Trustee by this Indenture or by law.

Nothing contained herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Securityholder any plan of reorganization, arrangement, adjustment or composition affecting the Securities of that series or the rights of any holder thereof or to authorize the Trustee to vote in respect of the claim of any Securityholder in any such proceeding.

SECTION 6.03. Application of Moneys Collected.

Any moneys collected by the Trustee pursuant to this Article with respect to a particular series of Debt Securities shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such moneys on account of principal (or premium, if any) or interest, upon presentation of the Debt Securities of that series, and notation thereon of the payment, if only partially paid, and upon surrender thereof if fully paid:

FIRST: To the payment of costs and expenses of collection and of all amounts payable to the Trustee under Section 7.06;

SECOND: To the payment of all indebtedness to which the Debt Securities are subordinated if and to the extent required by Article XIV; and

THIRD: To the payment of the amounts then due and unpaid upon Debt Securities of such series for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Debt Securities for principal (and premium, if any) and interest, respectively.

SECTION 6.04. Limitation on Suits.

No holder of any Debt Security of any series shall have any right by virtue or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (i) such holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof with respect to the Debt Securities of such series specifying such Event of Default, as herein provided; (ii) the holders of not less than 25% in aggregate principal amount of the Debt Securities of such series then Outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as trustee hereunder; (iii) such holder or holders shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby; and (iv) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity, shall have failed to institute any such action, suit or proceeding; and (v) during such 60 day period, the holders of a majority in principal amount of the Debt Securities of that series do not give the Trustee a direction inconsistent with the request.

Notwithstanding anything contained herein to the contrary, any other provisions of this Indenture, the right of any holder of any Debt Security to receive payment of the principal of (and premium, if any) and interest on such Debt Security, as therein provided, on or after the respective due dates expressed in such Debt Security (or in the case of redemption, on the redemption date), or to institute suit for the enforcement of any such payment on or after such respective dates or redemption date, shall not be impaired or affected without the consent of such holder, and by accepting a Debt Security hereunder it is expressly understood, intended and covenanted by the taker and holder of every Debt Security of such series with every other such taker and holder and the Trustee, that no one or more holders of Debt Securities of such series shall have any right in any manner whatsoever by virtue or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of the holders of any other of such Debt Securities, or to obtain or seek to obtain priority over or preference to any other such holder, or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all holders of Debt Securities of such series. For the protection and enforcement of the provisions of this Section, each and every Securityholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

SECTION 6.05. Rights and Remedies Cumulative;

Delay or Omission Not Waiver.

(a) Except as otherwise provided in Section 2.07, all powers and remedies given by this Article to the Trustee

or to the Securityholders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any other powers and remedies available to the Trustee or the holders of the Debt Securities, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture or otherwise established with respect to such Debt Securities.

(b) No delay or omission of the Trustee or of any holder of any of the Debt Securities to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein; and, subject to the provisions of Section 6.04, every power and remedy given by this Article or by law to the Trustee or the Securityholders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Securityholders.

SECTION 6.06. Control by Securityholders. The holders of a majority in aggregate principal amount of the Debt Securities of any series at the time Outstanding, determined in accordance with Section 8.04, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to such series; provided, however, that such direction shall not be in conflict with any rule of law or with this Indenture or be unduly prejudicial to the rights of holders of Debt Securities of any other series at the time Outstanding determined in accordance with Section 8.04. Subject to the provisions of Section 7.01, the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall, by a Responsible Officer or Officers of the Trustee, determine that the proceeding so directed would involve the Trustee in personal liability. The holders of a majority in aggregate principal amount of the Debt Securities of any series at the time Outstanding affected thereby, determined in accordance with Section 8.04, may on behalf of the holders of all of the Debt Securities of such series waive any past default in the performance of any of the covenants contained herein or established pursuant to Section 2.01 with respect to such series and its consequences, except (i) a default in the payment of the principal of, or premium, if any, or interest on, any of the Debt Securities of that series as and when the same shall become due by the terms of such Debt Securities otherwise than by acceleration (unless such default has been cured and a sum sufficient to pay all matured installments of interest and principal and any premium has been deposited with the Trustee (in accordance with Section 6.01(c)) or (ii) a default in the covenants contained in Section 4.06(b). Upon any such waiver, the default covered thereby shall be deemed to be cured for all purposes of this Indenture and the Company, the Trustee and the holders of the Debt Securities of such series shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 6.07. Undertaking to Pay Costs. All parties to this Indenture agree, and each holder of any Debt Securities by such holder's acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Securityholder, or group of Securityholders, holding more than 10% in aggregate principal amount of the Outstanding Debt Securities of any series, or to any suit instituted by any Securityholder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Debt Security of such series, on or after the respective due dates expressed in such Debt Security or established pursuant to this Indenture.

SECTION 6.08. Acknowledgement Regarding Preferred Securities Holders. The Company acknowledges that, with respect to any Debt Securities held by a Trust or a trustee of such Trust, if the Property Trustee of such Trust fails to enforce its rights under this Indenture as the holder of the series of Debt Securities held as the assets of such Trust, then holders of Preferred Securities of such Trust may institute legal proceedings directly against the Company to enforce such rights under this Indenture without first instituting any legal proceedings against such Property Trustee or any other Person.

ARTICLE VII

CONCERNING THE TRUSTEE

SECTION 7.01. Certain Duties and Responsibilities of Trustee.

(a) The Trustee, prior to the occurrence of an Event of Default with respect to the Debt Securities of a series and after the curing of all Events of Default with respect to the Debt Securities of that series that may have occurred, shall undertake to perform with respect to the Debt Securities of such series such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants shall be read into this Indenture against the Trustee. In case an Event of Default with respect to the Debt Securities of a series has occurred (that has not been cured or waived), the Trustee shall exercise with respect to Debt Securities of that series such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) prior to the occurrence of an Event of Default with respect to the Debt Securities of a series and after the curing or waiving of all such Events of Default with respect to that series that may have occurred:

(i) the duties and obligations of the Trustee shall with respect to the Debt Securities of such series be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable with respect to the Debt Securities of such series except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on the part of the Trustee, the Trustee may with respect to the Debt Securities of such series conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirement of this Indenture;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Debt Securities of any series at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture with respect to the Debt Securities of that series; and

(4) None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it under the terms of this Indenture or adequate indemnity against such risk is not reasonably assured to it.

SECTION 7.02. Certain Rights of Trustee. Except as otherwise provided in Section 7.01:

(a) The Trustee may rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security or other paper or document believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(b) Any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by a Board Resolution or an instrument signed in the name of the Company by the President, or any Vice President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer thereof (unless other evidence in respect thereof is specifically prescribed herein).

(c) The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel with respect to legal matters shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel.

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Securityholders, pursuant to the provisions of this Indenture, unless such Securityholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses (including attorneys' fees and expenses) and liabilities that might be incurred by it in complying with such request or direction, provided that nothing contained herein shall, however, relieve the Trustee of the obligation, upon the occurrence of an Event of Default with respect to a series of the Debt Securities (that has not been cured or waived) to exercise with respect to Debt Securities of that series such of the rights and powers vested in it by this Indenture, and to use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(e) The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security, or other papers or documents, unless requested in writing so to do by the holders of not less than a majority in principal amount of the Outstanding Debt Securities of the particular series affected thereby (determined as provided in Section 8.04); provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such costs, expenses or liabilities as a condition to so proceeding. The reasonable expense of every such examination shall be paid by the Company or, if paid by the Trustee, shall be repaid by the Company upon demand.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(h) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established before taking, suffering or omitting any action hereunder, the Trustee (unless other evidence is herein specifically prescribed) may, in the absence of bad faith on its part, request and rely upon an Officers' Certificate.

SECTION 7.03. Trustee Not Responsible for Recitals or Issuance of Debt Securities.

(a) The recitals contained herein and in the Debt Securities shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same.

(b) The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Debt Securities.

(c) The Trustee shall not be accountable for the use or application by the Company of any of the Debt Securities or of the proceeds of such Debt Securities, or for the use or application of any moneys paid over by the Trustee in accordance with any provision of this Indenture or established pursuant to Section 2.01, or for the use or application of any moneys received by any paying agent other than the Trustee.

SECTION 7.04. May Hold Debt Securities. The Trustee or any paying agent or Security Registrar, in its

individual or any other capacity, may become the owner or pledgee of Debt Securities with the same rights it would have if it were not Trustee, paying agent or Security Registrar.

SECTION 7.05. Moneys Held in Trust. Subject to the provisions of Section 11.05, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any moneys received by it hereunder except such as it may agree with the Company to pay thereon.

SECTION 7.06. Compensation and Reimbursement.

(a) The Company covenants and agrees to pay to the Trustee, and the Trustee shall be entitled to, such reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), as the Company and the Trustee may from time to time agree in writing, for all services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, and, except as otherwise expressly provided herein, the Company will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The Company also covenants to indemnify the Trustee (and its officers, agents, directors and employees) for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee and arising out of or in connection with the acceptance or administration of this Indenture, including the costs and expenses of defending itself against any claim of liability in the premises.

(b) The obligations of the Company under this Section to compensate and indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture. Such additional indebtedness shall be secured by a lien prior to that of the Debt Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the holders of particular Debt Securities.

SECTION 7.07. Reliance on Officers' Certificate. Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting to take any action hereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee and such certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted to be taken by it under the provisions of this Indenture upon the faith thereof.

SECTION 7.08. Qualification; Conflicting Interests. If the Trustee has or shall acquire any "conflicting interest" within the meaning of Section 310(b) of the Trust Indenture Act, the Trustee and the Company shall in all respects comply with the provisions of Section 310(b) of the Trust Indenture Act.

SECTION 7.09. Corporate Trustee Required; Eligibility. There shall at all times be a Trustee with respect to the Debt Securities issued hereunder which shall at all times be a corporation organized and doing business under the laws of the United States of America or any State or Territory thereof or of the District of Columbia, or a corporation or other Person permitted to act as trustee by the Commission, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least fifty million U.S. dollars (\$50,000,000), and subject to supervision or examination by Federal, State, Territorial or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Company may not, nor may any Person directly or indirectly

controlling, controlled by, or under common control with the Company, serve as Trustee. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 7.10.

SECTION 7.10. Resignation and Removal;
Appointment of Successor.

(a) The Trustee or any successor hereafter appointed, may at any time resign with respect to the Debt Securities of one or more series by giving written notice thereof to the Company and by transmitting notice of resignation by mail, first class postage prepaid, to the Securityholders of such series, as their names and addresses appear upon the Security Register. Upon receiving such notice of resignation, the Company shall promptly appoint a successor Trustee with respect to the Debt Securities of such series by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor Trustee. If no successor Trustee shall have been so appointed and have accepted appointment within 30 days after the mailing of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee with respect to the Debt Securities of such series, or any Securityholder of that series who has been a bona fide holder of a Debt Security or Debt Securities for at least six months may, subject to the provisions of Section 6.08, on behalf of that holder and all others similarly situated, petition any such court for the appointment of a successor Trustee. Such court may thereupon after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

(b) In case at any time any one of the following shall occur:

(1) the Trustee shall fail to comply with the provisions of subsection (a) of Section 7.10 after written request therefor by the Company or by any Securityholder who has been a bona fide holder of a Debt Security or Debt Securities for at least six months; or

(2) the Trustee shall cease to be eligible in accordance with the provisions of Section 7.09 and shall fail to resign after written request therefor by the Company or by any such Securityholder; or

(3) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or commence a voluntary bankruptcy proceeding, or a receiver of the Trustee or of its property shall be appointed or consented to, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, the Company may remove the Trustee with respect to all Debt Securities and appoint a successor Trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor Trustee, or, subject to the provisions of Section 6.08, unless the Trustee's duty to resign is stayed as provided herein, any Securityholder who has been a bona fide holder of a Debt Security or Debt Securities for at least six months may, on behalf of that holder and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee. Such court may thereupon after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor Trustee.

(c) The holders of a majority in aggregate principal amount of the Debt Securities of any series at the time Outstanding may at any time remove the Trustee with respect to such series by so notifying the Trustee and the Company and may appoint a successor Trustee for such series with the consent of the Company.

(d) Any resignation or removal of the Trustee and appointment of a successor Trustee with respect to the Debt Securities of a series pursuant to any of the provisions of this Section shall become effective upon acceptance of appointment by the successor Trustee as provided in Section 7.11.

(e) Any successor Trustee appointed pursuant to this Section may be appointed with respect to the Debt Securities of one or more series or all of such series, and at any time there shall be only one Trustee with respect to the Debt Securities of any particular series.

SECTION 7.11. Acceptance of Appointment By Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Debt Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor trustee all the rights, powers, and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Debt Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Debt Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Debt Securities of that or those series to which the appointment of such successor Trustee relates, (2) shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Debt Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any act or failure to act on the part of any other Trustee hereunder; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall with respect to the Debt Securities of that or those series to which the appointment of such successor Trustee relates have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture, and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Debt Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Debt Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

(e) Upon acceptance of appointment by a successor Trustee as provided in this Section, the Company shall transmit notice of the succession of such Trustee hereunder by mail, first class postage prepaid, to the Securityholders, as their names and addresses appear upon the Security Register. If the Company fails to transmit such notice within ten days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be transmitted at the expense of the Company.

SECTION 7.12. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to the corporate trust

business of the Trustee, shall be the successor of the Trustee hereunder, provided that such corporation shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. In case any Debt Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Debt Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Debt Securities.

SECTION 7.13. Preferential Collection of Claims Against the Company. The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship described in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of the Trust Indenture Act to the extent included therein.

ARTICLE VIII

CONCERNING THE SECURITYHOLDERS

SECTION 8.01. Evidence of Action by Securityholders. Whenever in this Indenture it is provided that the holders of a majority or specified percentage in aggregate principal amount of the Debt Securities of a particular series may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such majority or specified percentage of that series have joined therein may be evidenced by any instrument or any number of instruments of similar tenor executed by such holders of Debt Securities of that series in person or by agent or proxy appointed in writing.

If the Company shall solicit from the holders of any series of Debt Securities any request, demand, authorization, direction, notice, consent, waiver or other action, the Company may, at its option, as evidenced by an Officers' Certificate, fix in advance a record date for such series for the determination of holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other action, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other action may be given before or after the record date, but only the holders of record at the close of business on the record date shall be deemed to be Securityholders for the purposes of determining whether Securityholders of the requisite proportion of Outstanding Debt Securities of that series have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other action, and for that purpose the Outstanding Debt Securities of that series shall be computed as of the record date; provided, however, that no such authorization, agreement or consent by such Securityholders on the record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than six months after the record date.

SECTION 8.02. Proof of Execution by Securityholders. Subject to the provisions of Section 7.01, proof of the execution of any instrument by a Securityholder (such proof will not require notarization) or the agent or proxy of such Securityholder and proof of the holding by any Person of any of the Debt Securities shall be sufficient if made in the following manner:

(a) The fact and date of the execution by any such Person of any instrument may be proved in any reasonable manner acceptable to the Trustee.

(b) The ownership of Debt Securities shall be proved by the Security Register of such Debt Securities or by a certificate of the Security Registrar thereof.

(c) The Trustee may require such additional proof of any matter referred to in this Section as it shall deem necessary.

SECTION 8.03. Who May be Deemed Owners. Prior to the due presentment for registration of transfer of any Debt Security, the Company, the Trustee, any paying agent and any Security Registrar may deem and treat the Person in whose name such Debt Security shall be registered upon the books of the Company as the absolute owner of such Debt Security (whether or not such Debt Security shall be overdue and notwithstanding any notice of ownership or writing thereon made by anyone other than the Security Registrar) for the purpose of receiving payment of or on account of the

principal of, premium, if any, and (subject to Section 2.03) interest on such Debt Security and for all other purposes; and neither the Company nor the Trustee nor any paying agent nor any Security Registrar shall be affected by any notice to the contrary.

SECTION 8.04. Certain Debt Securities Owned by Company Disregarded. In determining whether the holders of the requisite aggregate principal amount of Debt Securities of a particular series have concurred in any direction, consent or waiver under this Indenture, the Debt Securities of that series that are owned by the Company or any other obligor on the Debt Securities of that series or by any Person directly or indirectly controlling or controlled by or under common control with the Company or any other obligor on the Debt Securities of that series shall be disregarded and deemed not to be outstanding for the purpose of any such determination, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Debt Securities of such series that the Trustee actually knows are so owned shall be so disregarded. The Debt Securities so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section, if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right so to act with respect to such Debt Securities and that the pledgee is not a Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any such other obligor. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

SECTION 8.05. Actions Binding on Future Securityholders. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the holders of a majority or specified percentage in aggregate principal amount of the Debt Securities of a particular series in connection with such action, any holder of a Debt Security of that series that is shown by the evidence to be included in the Debt Securities the holders of which have consented to such action may, by filing written notice with the Trustee, and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Debt Security. Except as aforesaid, any such action taken by the holder of any Debt Security shall be conclusive and binding upon such holder and upon all future holders and owners of such Debt Security, and of any Debt Security issued in exchange therefor, on registration of transfer thereof or in place thereof, irrespective of whether or not any notation in regard thereto is made upon such Debt Security. Any action taken by the holders of a majority or specified percentage in aggregate principal amount of the Debt Securities of a particular series in connection with such action shall be conclusively binding upon the Company, the Trustee and the holders of all the Debt Securities of that series.

ARTICLE IX

SUPPLEMENTAL INDENTURES

SECTION 9.01. Supplemental Indentures Without the Consent of Securityholders. In addition to any supplemental indenture otherwise authorized by this Indenture, the Company and the Guarantor and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as then in effect), without the consent of the Securityholders, for one or more of the following purposes:

- (a) to cure any ambiguity, defect or inconsistency herein or in the Debt Securities of any series;
- (b) to comply with Article X;
- (c) to provide for uncertificated Debt Securities in addition to or in place of certificated Debt Securities;
- (d) to add to the covenants of the Company for the benefit of the holders of all or any series of Debt Securities (and if such covenants are to be for the benefit of less than all series of Debt Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company;
- (e) to add to, delete from, or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Debt Securities, as herein set forth;

(f) to make any change that does not adversely affect the rights of any Securityholder in any material respect; or

(g) to provide for the issuance of and establish the form and terms and conditions of the Debt Securities of any series as provided in Section 2.01, to establish the form of any certifications required to be furnished pursuant to the terms of this Indenture or any series of Debt Securities, or to add to the rights of the holders of any series of Debt Securities.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into any such supplemental indenture that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Any supplemental indenture authorized by the provisions of this Section may be executed by the Company and the Trustee without the consent of the holders of any of the Debt Securities at the time Outstanding notwithstanding any of the provisions of Section 9.02.

SECTION 9.02. Supplemental Indentures With Consent of Securityholders. With the consent (evidenced as provided in Section 8.01) of the holders of not less than a majority in aggregate principal amount of the Debt Securities of each series affected by such supplemental indenture or indentures at the time Outstanding, the Company, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as then in effect) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner not covered by Section 9.01 the rights of the holders of the Debt Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the holders of each Debt Security then Outstanding and affected thereby, (i) extend the fixed maturity of any Debt Securities of any series, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the holder of each Debt Security so affected or (ii) reduce the aforesaid percentage of Debt Securities, the holders of which are required to consent to any such supplemental indenture.

It shall not be necessary for the consent of the Securityholders of any series affected thereby under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

SECTION 9.03. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture pursuant to the provisions of this Article or of Section 10.01, this Indenture shall, with respect to such series, be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the holders of Debt Securities of the series affected thereby shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.04. Debt Securities Affected by Supplemental Indentures. Debt Securities of any series affected by a supplemental indenture, authenticated and delivered after the execution of such supplemental indenture pursuant to the provisions of this Article or of Section 10.01, may bear a notation in form approved by the Company, provided such form meets the requirements of any exchange upon which such series may be listed, as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Debt Securities of that series so modified as to conform, in the opinion of the Board of Directors of the Company, to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Company, authenticated by the Trustee and delivered in exchange for the Debt Securities of that series then outstanding.

SECTION 9.05. Execution of Supplemental Indentures. Upon the request of the Company, accompanied by a Board Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Securityholders required to

consent thereto as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion but shall not be obligated to enter into such supplemental indenture. The Trustee, subject to the provisions of Section 7.01, may receive an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to this Article is authorized or permitted by, and conforms to, the terms of this Article and that it is proper for the Trustee under the provisions of this Article to join in the execution thereof.

Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of this Section, the Trustee shall transmit by mail, first class postage prepaid, a notice, setting forth in general terms the substance of such supplemental indenture, to the Securityholders of all series affected thereby as their names and addresses appear upon the Debt Security Register. Any failure of the Trustee to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

ARTICLE X

SUCCESSOR CORPORATION

SECTION 10.01. Company May Consolidate, Etc. Nothing contained in this Indenture or in any of the Debt Securities shall prevent any consolidation or merger of the Company with or into any other corporation or corporations (whether or not affiliated with the Company), or successive consolidations or mergers in which the Company or its successor or successors shall be a party or parties, or shall prevent any sale, conveyance, transfer or other disposition of the property of the Company or its successor or successors as an entirety, or substantially as an entirety, to any other corporation (whether or not affiliated with the Company or its successor or successors) authorized to acquire and operate the same; provided, however, the Company hereby covenants and agrees that, upon any such consolidation, merger, sale, conveyance, transfer or other disposition, the due and punctual payment of the principal of (premium, if any) and interest on all of the Debt Securities of all series in accordance with the terms of each series, according to their tenor and the due and punctual performance and observance of all the covenants and conditions of this Indenture with respect to each series or established with respect to such series pursuant to Section 2.01 to be kept or performed by the Company, shall be expressly assumed, by supplemental indenture (which shall conform to the provisions of the Trust Indenture Act, as then in effect) satisfactory in form to the Trustee executed and delivered to the Trustee by the entity formed by such consolidation, or into which the Company shall have been merged, or by the entity which shall have acquired such property.

SECTION 10.02. Successor Corporation Substituted.

(a) In case of any such consolidation, merger, sale, conveyance, transfer or other disposition and upon the assumption by the successor corporation, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the due and punctual payment of the principal of, premium, if any, and interest on all of the Debt Securities of all series Outstanding and the due and punctual performance of all of the covenants and conditions of this Indenture or established with respect to each series of the Debt Securities pursuant to Section 2.01 to be performed by the Company with respect to each series, such successor corporation shall succeed to and be substituted for the Company with the same effect as if it had been named as the Company herein.

(b) In case of any such consolidation, merger, sale, conveyance, transfer or other disposition, such changes in phraseology and form (but not in substance) may be made in the Debt Securities thereafter to be issued as may be appropriate.

(c) Nothing contained in this Indenture or in any of the Debt Securities shall prevent the Company from merging into itself or acquiring by purchase or otherwise all or any part of the property of any other Person (whether or not affiliated with the Company).

SECTION 10.03. Evidence of Consolidation, Etc. to Trustee. The Trustee, subject to the provisions of Section 7.01, may receive an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale, conveyance, transfer or other disposition, and any such assumption, comply with the provisions of this Article.

ARTICLE XI

SATISFACTION AND DISCHARGE

SECTION 11.01. Satisfaction and Discharge of Indenture. If at any time: (a) the Company shall have delivered to the Trustee for cancellation all Debt Securities of a series theretofore authenticated (other than any Debt Securities that shall have been destroyed, lost or stolen and that shall have been replaced or paid as provided in Section 2.07) and Debt Securities for whose payment money or Governmental Obligations have theretofore been deposited in trust or segregated and held in trust by the Company (and thereupon repaid to the Company or discharged from such trust, as provided in Section 11.05); or (b) all such Debt Securities of a particular series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and the Company shall deposit or cause to be deposited with the Trustee as trust funds the entire amount in moneys or Governmental Obligations or a combination thereof, sufficient in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay at maturity or upon redemption all Debt Securities of that series not theretofore delivered to the Trustee for cancellation, including principal (and premium, if any) and interest due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if the Company shall also pay or cause to be paid all other sums payable hereunder with respect to such series by the Company; then if the Company has delivered to the Trustee an Opinion of Counsel based on the fact that (x) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (y) since the date hereof, there has been a change in the applicable United States federal income tax law, in either case to the effect that, and such opinion shall confirm that, the holders of the Debt Securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to United States federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred, this Indenture shall thereupon cease to be of further effect with respect to such series except for the provisions of Sections 2.03, 2.05, 2.07, 4.01, 4.02, 4.03 and 7.10, which shall survive until the date of maturity or redemption date, as the case may be, and Sections 7.06 and 11.05, which shall survive to such date and thereafter, and the Trustee, on demand of the Company and at the cost and expense of the Company shall execute proper instruments acknowledging satisfaction of and discharging this Indenture with respect to such series.

SECTION 11.02. Discharge of Obligations. If at any time all Debt Securities of a particular series not theretofore delivered to the Trustee for cancellation or that have not become due and payable as described in Section 11.01 shall have been paid by the Company by depositing irrevocably with the Trustee as trust funds moneys or an amount of Governmental Obligations sufficient to pay at maturity or upon redemption all such Debt Securities of that series not theretofore delivered to the Trustee for cancellation, including principal (and premium, if any) and interest due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if the Company shall also pay or cause to be paid all other sums payable hereunder by the Company with respect to such series, then after the date such moneys or Governmental Obligations, as the case may be, are deposited with the Trustee then, if the Company has delivered to the Trustee an Opinion of Counsel based on the fact that (x) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (y) since the date hereof, there has been a change in the applicable United States federal income tax law, in either case to the effect that, and such opinion shall confirm that, the holders of the Debt Securities of such series will not recognize income, gain or loss for United States federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to United States federal income tax on the same amount and in the same manner and at the same times, as would have been the case if such deposit, defeasance and discharge had not occurred, the obligations of the Company, under this Indenture with respect to such series shall cease to be of further effect except for the provisions of Sections 2.03, 2.05, 2.07, 4.01, 4.02, 4.03, 7.06, 7.10 and 11.05 hereof which shall survive until such Debt Securities shall mature and be paid and Sections 7.06 and 11.05, which shall survive to such date and thereafter.

SECTION 11.03. Deposited Moneys to be Held in Trust. All moneys or Governmental Obligations deposited with the Trustee pursuant to Section 11.02 shall be held in trust and shall be available for payment as due, either directly or through any paying agent (including the Company acting as its own paying agent), to the holders of the particular series of Debt Securities for the payment or redemption of which such moneys or Governmental Obligations have been deposited with the Trustee.

SECTION 11.04. Payment of Moneys Held by Paying Agents. In connection with the satisfaction and discharge of this Indenture, all moneys or Governmental Obligations then held by any paying agent under the provisions of this Indenture shall, upon demand of the Company, be paid to the Trustee and thereupon such paying agent shall be released from all further liability with respect to such moneys or Governmental Obligations.

SECTION 11.05. Repayment to Company. Any moneys or Governmental Obligations deposited with any paying agent or the Trustee, or then held by the Company, in trust for payment of principal of or premium or interest on the Debt Securities of a particular series that are not applied but remain unclaimed by the holders of such Debt Securities for at least two years after the date upon which the principal of (and premium, if any) or interest on such Debt Securities shall have respectively become due and payable, shall be repaid to the Company on May 31 of each year or (if then held by the Company) shall be discharged from such trust; and thereupon the paying agent and the Trustee shall be released from all further liability with respect to such moneys or Governmental Obligations, and the holder of any of the Debt Securities entitled to receive such payment shall thereafter, as an unsecured general creditor, look only to the Company for the payment thereof.

ARTICLE XII

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

SECTION 12.01. No Recourse. No recourse under or upon any obligation, covenant or agreement of this Indenture, or of any Debt Security, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, stockholder, officer or director, past, present or future as such, of the Company or of any predecessor or successor corporation, either directly or through the Company or 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; it being expressly understood that this Indenture and the obligations issued hereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, stockholders, officers or directors, as such, of the Company or of any predecessor or successor corporation, or any of them, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Debt Securities or implied therefrom; and that any and all such personal liability of every name and nature, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, stockholder, officer or director, as such, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Debt Securities or implied therefrom, are hereby expressly waived and released as a condition of, and as consideration for, the execution of this Indenture and the issuance of such Debt Securities.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

SECTION 13.01. Effect on Successors and Assigns. All the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 13.02. Actions by Successor. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the corresponding board, committee or officer of any corporation that shall at the time be the lawful successor of the Company.

SECTION 13.03. Surrender of Company Powers. The Company by instrument in writing executed by authority of 2/3 (two-thirds) of its Board of Directors and delivered to

the Trustee may surrender any of the powers reserved to the Company, and thereupon such power so surrendered shall terminate both as to the Company and as to any successor corporation.

SECTION 13.04. Notices. Except as otherwise expressly provided herein, any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the holders of Debt Securities to or on the Company may be given or served by being deposited first class postage prepaid in a post-office letterbox addressed (until another address is filed in writing by the Company with the Trustee), as follows: Kansas City Power & Light Company, 1201 Walnut, Kansas City, MO 64106-2124, Attention: Treasurer. Any notice, election, request or demand by the Company or any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made in writing at the Corporate Trust Office of the Trustee.

SECTION 13.05. Governing Law. This Indenture and each Debt Security shall be deemed to be a contract made under the internal laws of the State of New York, and for all purposes shall be construed in accordance with the laws of said State.

SECTION 13.06. Treatment of the Debt Securities as Debt. It is intended that the Debt Securities will be treated as indebtedness and not as equity for federal income tax purposes. The provisions of this Indenture shall be interpreted to further this intention.

SECTION 13.07. Compliance Certificates and Opinions.

(a) Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant in this Indenture shall include (1) a statement that the Person making such certificate or opinion has read such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of such Person, such Person has made such examination or investigation as is necessary to enable such Person to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

SECTION 13.08. Payments on Business Days. Except as provided pursuant to Section 2.01 pursuant to a Board Resolution, and as set forth in an Officers' Certificate, or established in one or more indentures supplemental to this Indenture, in any case where the date of maturity of interest or principal of any Debt Security or the date of redemption of any Debt Security shall not be a Business Day, then payment of interest or principal (and premium, if any) may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of maturity or redemption, and no interest shall accrue for the period after such nominal date.

SECTION 13.09. Conflict with Trust Indenture Act. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with the duties imposed by Sections 310 to 317, inclusive, of the Trust Indenture Act, such imposed duties shall control.

SECTION 13.10. Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

SECTION 13.11. Separability. In case any one or more of the provisions contained in this Indenture or in the Debt Securities of any series shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture or of such Debt Securities, but this Indenture and such Debt Securities

shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein or therein.

SECTION 13.12. Assignment. The Company will have the right at all times to assign any of its respective rights or obligations under this Indenture to a direct or indirect wholly-owned Subsidiary of the Company, provided that, in the event of any such assignment, the Company will remain liable for all such obligations. Subject to the foregoing, this Indenture is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns. This Indenture may not otherwise be assigned by the parties thereto.

SECTION 13.13. Acknowledgment of Rights. The Company acknowledges that, with respect to any Debt Securities held by a Trust or a trustee of such Trust, if the Property Trustee of such Trust fails to enforce its rights under this Indenture as the holder of the series of Debt Securities held as the assets of such Trust, any holder of Preferred Securities may, after a period of 30 days has elapsed from such holder's written request to such Property Trustee to enforce such rights, institute legal proceedings directly against the Company to enforce such Property Trustee's rights under this Indenture without first instituting any legal proceedings against such Property Trustee or any other person or entity.

ARTICLE XIV

SUBORDINATION OF DEBT SECURITIES

SECTION 14.01. Subordination Terms. The payment by the Company of the principal of, premium, if any, and interest on any series of Debt Securities issued hereunder shall be subordinated to the extent set forth in an indenture supplemental hereto relating to such Debt Securities.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

KANSAS CITY POWER & LIGHT COMPANY

By: _____
Name:
Title:

Attest:

By: _____
Jeanie S. Latz
Secretary

THE FIRST NATIONAL BANK OF CHICAGO
Not in its individual capacity
but solely as Trustee

By: _____
Name:
Title:

Attest:

By: _____
Name:
Title:

STATE OF MISSOURI)
COUNTY OF JACKSON) SS

On the ___ day of _____, 199_, before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he is a _____ of KANSAS CITY POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

NOTARY PUBLIC

[seal]

Commission expires:

STATE OF ILLINOIS)
COUNTY OF COOK) SS

On the ___ day of _____, 199_, before me personally
came _____ to me known, who, being by me duly
sworn, did depose and say that he is a
_____ of THE FIRST NATIONAL BANK OF
CHICAGO, one of the corporations described in and which
executed the above instrument; that he knows the corporate
seal of said corporation; that the seal affixed to the said
instrument is such corporate seal; that it was so affixed by
authority of the Board of Directors of said corporation, and
that he signed his name thereto by like authority.

NOTARY PUBLIC

[seal]

Commission expires:

_____ SUPPLEMENTAL INDENTURE

Dated as of _____, 199_

Between

KANSAS CITY POWER & LIGHT COMPANY

and

THE FIRST NATIONAL BANK OF CHICAGO

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THIS _____ SUPPLEMENTAL INDENTURE, dated as of _____, 199_ (the "_____ Supplemental Indenture"), between Kansas City Power & Light Company, a Missouri corporation (the Company"), and The First National Bank of Chicago, a national banking association, duly organized and existing under the laws of the United States as trustee (the Trustee") under the Indenture dated as of _____, 199_ between the Company and the Trustee (the Indenture").

W I T N E S S E T H:

WHEREAS, the Company executed and delivered the Indenture to the Trustee to provide for the future issuance of the Company's unsecured subordinated debt securities, to be issued from time to time in one or more series as might be determined by the Company under the Indenture, in an unlimited aggregate principal amount which may be authenticated and delivered as provided in the Indenture; and

WHEREAS, pursuant to the terms of the Indenture, the Company desires to provide for the establishment of a new series of its Debt Securities to be known as its _____% Junior Subordinated Deferrable Interest Debentures due _____, 203_ (the "Subordinated Debentures"), the form and substance of which and the terms, provisions and conditions thereof to be set forth as provided in the Indenture and this _____ Supplemental Indenture; and

WHEREAS, KCPL Financing _____, a Delaware statutory business trust (the Trust"), has offered to the public \$_____ million aggregate stated liquidation amount of its Trust Originated Preferred Securities (the Preferred Securities") and has offered to the Company \$_____ million aggregate stated liquidation amount of its Trust Originated Common Securities (the Common Securities"), such Preferred Securities and Common Securities representing undivided beneficial interests in the assets of the Trust, and proposes to invest the proceeds from such offering in \$_____ aggregate principal amount of the Subordinated Debentures; and

WHEREAS, the Company has requested the Trustee to execute and deliver this _____ Supplemental Indenture, and all requirements necessary to make this _____ Supplemental Indenture a valid instrument, in accordance with its terms, and to make the Subordinated Debentures, when executed by the Company and authenticated and delivered by the Trustee, the valid obligations of the Company, have been performed, and the execution and delivery of this _____ Supplemental Indenture has been duly authorized in all respects;

NOW, THEREFORE, in consideration of the purchase and acceptance of the Subordinated Debentures by the holders thereof, and for the purpose of setting forth, as provided in the Indenture, the form and substance of the Subordinated Debentures and the terms, provisions and conditions thereof, the Company covenants and agrees with the Trustee as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definition of Terms. Unless the context otherwise requires, (a) a term defined in the Indenture has the same meaning when used in this _____ Supplemental Indenture; (b) a term defined anywhere in this _____ Supplemental Indenture has the same meaning throughout; and (c) the following terms have the meanings given to them in the Declaration: (i) Clearing Agency; (ii) Delaware Trustee; (iii) Redemption Tax Opinion; (iv) Preferred Security Certificate; (v) Property Trustee; (vi) Pro Rata; (vii) Regular Trustees; and (viii) Tax Event.

In addition, the following terms have the following respective meanings:

Declaration:

The term "Declaration" shall mean the Amended and Restated Declaration of Trust of KCPL Financing _____, a Delaware business trust, dated as of _____, 1996.

Maturity Date:

The term "Maturity Date" shall mean the date on which the Subordinated Debentures mature and on which the principal shall be due and payable together with all accrued and unpaid interest thereon including Compounded Interest (as defined in Section 4.1) and Additional Interest (as defined in Section 2.5(c)), if any.

Senior Indebtedness:

The term "Senior Indebtedness" shall mean (i) any payment in respect of (A) indebtedness of the Company for money borrowed and (B) indebtedness evidenced by securities, debentures, bonds, notes or other similar instruments issued by the Company including, without limitation, indebtedness evidenced by securities issued pursuant to the General Mortgage Indenture and Deed of Trust dated as of December 1, 1986, from the Company to United Missouri Bank of Kansas City, N.A., as trustee, as supplemented and amended from time to time; and the Indentures dated as of April 1, 1991, February 15, 1992, November 15, 1992, November 1, 1994 and December 1, 1994, between the Company and The Bank of New York, as trustee; (ii) all capital lease obligations of the Company; (iii) all obligations of the Company issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Company and all of its obligations under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business); (iv) all obligations of the Company for reimbursement on any letter of credit, banker's acceptance, security purchase facility or similar credit transaction; (v) all obligations of the type referred to in clauses (i) through (iv) of other Persons for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise; and (vi) all obligations of the type referred to in clauses (i) through (v) of other Persons secured by any lien on any property or asset of the Company (whether or not such obligation is assumed by the Company), except for (1) any such indebtedness that is by its terms subordinated to or pari passu with the Subordinated Debentures, as the case may be, including all other debt securities and guarantees in respect of those debt securities, issued to any other trusts, partnerships or any other entity affiliated with the Company which is a financing vehicle of the Company ("Financing Entity") in connection with an issuance of preferred securities by such Financing Entity or other securities which rank pari passu with, or junior to, the Preferred Securities, and (2) any indebtedness between or among the Company and its Affiliates.

Section 1.2. Interpretation. Each definition in this _____ Supplemental Indenture includes the singular and the plural, and references to the neuter gender include the masculine and feminine where appropriate. Terms which relate to accounting matters shall be interpreted in accordance with generally accepted accounting principles in effect from time to time. References to any statute mean such statute as amended at the time and include any successor legislation. The word "or" is not exclusive, and the words "herein," "hereof" and "hereunder" refer to this _____ Supplemental Indenture as a whole. The headings to the Articles and Sections are for convenience of reference and shall not affect the meaning or interpretation of this _____ Supplemental Indenture. References to Articles and Sections mean the Articles and Sections of this _____ Supplemental Indenture unless otherwise specified.

ARTICLE II

GENERAL TERMS AND CONDITIONS OF THE SUBORDINATED DEBENTURES

Section 2.1. Designation and Principal Amount. There is hereby authorized a series of Debt Securities designated the "_____% Junior Subordinated Deferrable Interest Debentures due _____, _____," limited in aggregate principal amount to \$_____, which amount shall be as set forth in any written order of the Company for the authentication and delivery of _____ pursuant to Section 2.04 of the Indenture.

Section 2.2. Maturity. The Maturity Date will be _____, _____, provided that the Company may at its option change the Maturity Date to an earlier date not earlier than _____, and shall give notice of any such change to the Trustee not later than 120 days prior to such changed Maturity Date, and give prompt notice of such change to the holders of the Subordinated Debentures.

Section 2.3. Form and Payment. Except as provided in Section 2.4, the Subordinated Debentures shall be issued in fully registered certificated form without interest coupons. Principal and interest on the Subordinated Debentures issued in certificated form will be payable, the transfer of such Subordinated Debentures will be registrable and such Subordinated Debentures will be exchangeable for Subordinated Debentures bearing identical terms and provisions at the office or agency of the Trustee in Chicago, Illinois, provided, however, that payment of interest may be made at the option of the Company by check mailed to the registered holder at such address as shall appear in the Security Register. Notwithstanding the foregoing, so long as the registered holder of any Subordinated Debentures is the Property Trustee, the payment

of the principal of and interest (including Compounded Interest and Additional Interest, if any) on such Subordinated Debentures held by the Property Trustee will be made at such place and to such account as may be designated by the Property Trustee.

Section 2.4. Global Subordinated Debenture. In connection with the dissolution of the Trust:

(a) the Subordinated Debentures in certificated form may be presented to the Trustee by the Property Trustee in exchange for a Global Security in an aggregate principal amount equal to the aggregate principal amount of the Subordinated Debentures so presented, to be registered in the name of the Depositary, or its nominee, and delivered by the Trustee to the Depositary for crediting to the accounts of its participants pursuant to the instructions of the Regular Trustees. The Company, upon any such presentation, shall execute a Global Security in such aggregate principal amount and deliver the same to the Trustee for authentication and delivery in accordance with the Indenture and this _____ Supplemental Indenture. Payments on the Subordinated Debentures issued as a Global security will be made to the Depositary; and

(b) if any Preferred Securities are held in non book-entry certificated form, the Subordinated Debentures in certificated form may be presented to the Trustee by the Property Trustee and any Preferred Security Certificate which represents Preferred Securities other than Preferred Securities held by the Clearing Agency or its nominee ("Non Book-Entry Preferred Securities") will be deemed to represent beneficial interests in Subordinated Debentures presented to the Trustee by the Property Trustee having an aggregate principal amount equal to the aggregate stated liquidation amount of the Non Book-Entry Preferred Securities until such Preferred Security Certificates are presented to the Security Registrar for transfer or reissuance at which time such Preferred Security Certificates will be cancelled and a Subordinated Debenture, registered in the name of the holder of the Preferred Security Certificate or the transferee of the holder of such Preferred Security Certificate, as the case may be, with an aggregate principal amount equal to the aggregate stated liquidation amount of the Preferred Security Certificate cancelled, will be executed by the Company and delivered to the Trustee for authentication and delivery in accordance with the Indenture and this _____ Supplemental Indenture. On issue of such Subordinated Debentures, Subordinated Debentures with an equivalent aggregate principal amount that were presented by the Property Trustee to the Trustee will be deemed to have been cancelled.

Section 2.5. Interest.

(a) Each Subordinated Debenture will bear interest at the rate of ____% per annum (the "Coupon Rate") from the original date of issuance until the principal thereof becomes due and payable, and on any overdue principal and (to the extent that payment of such interest is enforceable under applicable law) on any overdue installment of interest at the Coupon Rate, compounded quarterly, payable (subject to the provisions of Article IV) quarterly in arrears on March 31, June 30, September 30 and December 31 of each year (each, an "Interest Payment Date"), commencing on _____, 199_, to the Person in whose name such Subordinated Debenture or any predecessor Subordinated Debenture is registered, at the close of business on the regular record date for such interest installment, which shall be the close of business on the Business Day next preceding that Interest Payment Date. If pursuant to the provisions of Section 2.11(c) of the Indenture the Subordinated Debentures are no longer represented by a Global Security, the Company may select a regular record date for such interest installment which shall be any date at least fifteen days before an Interest Payment Date.

(b) The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months. In the event that any date on which interest is payable on the Subordinated Debentures is not a Business Day, then payment of interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. The amount of interest payable for any period shorter than a full quarterly period for which interest is computed, will be computed on the basis of the actual number of days elapsed in such a 90-day quarter.

(c) If at any time while the Property Trustee is the holder of any Subordinated Debentures, the Trust or the Property Trustee is required to pay any taxes, duties, assessments or governmental charges of whatever nature (other than withholding taxes) imposed by the United States, or any other taxing authority, then, in any case, the Company will pay as additional interest ("Additional Interest") on the Subordinated Debentures held by the Property Trustee, such additional amounts as shall be required so that the net amounts received and retained by the Trust and the Property Trustee after paying such taxes, duties, assessments or other governmental charges will be equal to the amounts the Trust and the Property Trustee would have received had no such taxes, duties, assessments or other government charges been imposed.

ARTICLE III

REDEMPTION OF THE SUBORDINATED DEBENTURES

Section 3.1. Tax Event Redemption. If a Tax Event has occurred and is continuing and the Company has received a Redemption Tax Opinion, then, notwithstanding Section 3.2(a) but subject to Section 3.2(b), the Company shall have the right upon not less than 30 days' nor more than 60 days' notice to the registered holders of the Subordinated Debentures to redeem the Subordinated Debentures, in whole or in part, for cash within 90 days following the occurrence of such Tax Event (the "90 Day Period") at a redemption price equal to 100% of the principal amount to be redeemed plus any accrued and unpaid interest thereon to the date of such redemption (the "Redemption Price") provided that, if at the time there is available to the Company the opportunity to eliminate, within the 90 Day Period, the Tax Event by taking some ministerial action ("Ministerial Action"), such as filing a form or making an election, or pursuing some other similar reasonable measure that has no adverse effect on the Company, the Trust or the Holders of the Trust Securities issued by the Trust, the Company shall pursue such Ministerial Action in lieu of redemption; and provided further, that the Company shall have no right to redeem the Subordinated Debentures while the Trust is pursuing any Ministerial Action pursuant to its obligations under the Declaration. The Redemption Price shall be paid prior to 12:00 noon, New York time, on the date of such redemption or at such earlier time as the Company determines and specifies in the notice of redemption, provided the Company shall deposit with the Trustee an amount sufficient to pay the Special Redemption Price by 11:00 a.m. on the date such Redemption Price is to be paid.

Section 3.2. Optional Redemption by Company.

(a) Subject to the provisions of Article III of the Indenture and to Section 3.2(b), the Company shall have the right to redeem the Subordinated Debentures, in whole or in part, from time to time, on or after _____, at the Redemption Price. Any redemption pursuant to this paragraph will be made upon not less than 30 days' nor more than 60 days' notice to the registered holder of the Subordinated Debentures, at the Redemption Price. If the Subordinated Debentures are only partially redeemed pursuant to this Section 3.2, the Subordinated Debentures will be redeemed pro rata or by lot or by any other method utilized by the Trustee; provided, that if at the time of redemption, the Subordinated Debentures are registered as a Global Security, the Depositary shall determine by lot the principal amount of such Subordinated Debentures held by each holder to be redeemed. The Redemption Price shall be paid prior to 12:00 noon, New York time, on the date of such redemption or at such earlier time as the Company determines and specifies in the notice of redemption, provided the Company shall deposit with the Trustee an amount sufficient to pay the Redemption Price by 11:00 a.m. on the date such Redemption Price is to be paid.

(b) If a partial redemption of the Subordinated Debentures would result in the delisting of the Preferred Securities issued by the Trust from any national securities exchange or other organization on which the Preferred Securities are then listed, the Company shall not be permitted to effect such partial redemption and may only redeem the Subordinated Debentures in whole.

Section 3.3. No Sinking Fund. The Subordinated Debentures are not entitled to the benefit of any sinking fund.

ARTICLE IV

EXTENSION OF INTEREST PAYMENT PERIOD

Section 4.1. Extension of Interest Payment

Period. The Company shall have the right, at any time and from time to time during the term of the Subordinated Debentures, to extend the interest payment period of such Subordinated Debentures for up to twenty (20) consecutive quarters (the "Extended Interest Payment Period"); provided, that, during any such Extended Interest Payment Period, (a) the Company may not declare or pay any dividend on, make any distributions with respect to, or redeem, purchase or acquire, or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of shares of Company common stock in connection with the satisfaction by the Company of its obligations under any employee benefit plans or any other contractual obligation of the Company (other than a contractual obligation ranking pari passu with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of Company capital stock or the exchange or conversion of one class or series of Company capital stock for another class or series of Company capital stock or (iii) the purchase of fractional interests in shares of Company capital stock pursuant to the conversion or exchange provisions of such Company capital stock or the security being converted or exchanged), (b) the Company may not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by the Company which rank pari passu with or junior to the Subordinated Debentures to which such Extended Interest Payment Period applies and (c) the Company may not make any guarantee payments with respect to the foregoing (other than pursuant to the Preferred Securities Guarantee). To the extent permitted by applicable law, interest, the payment of which has been deferred because of the extension of the interest payment period pursuant to this Section 4.1, will bear interest compounded quarterly at the Coupon Rate for each quarter of the Extended Interest Payment Period ("Compounded Interest"). At the end of the Extended Interest Payment Period, the Company shall pay all interest accrued and unpaid on the Subordinated Debentures, including any Compounded Interest and Additional Interest ("Deferred Interest") which shall be payable to the holders of the Subordinated Debentures in whose names the Subordinated Debentures are registered in the Security Register on the first record date after the end of the Extended Interest Payment Period. Prior to the termination of any Extended Interest Payment Period, the Company may further extend such period, provided that such period together with all such further extensions thereof shall not exceed twenty (20) consecutive quarters or extend beyond the maturity of the Subordinated Debentures. Upon the termination of any Extended Interest Payment Period and upon the payment of all Deferred Interest then due, the Company may select a new Extended Interest Payment Period, subject to the foregoing requirements. No interest shall be due and payable during an Extended Interest Payment Period, except at the end thereof.

Section 4.2. Notice of Extension.

(a) If the Property Trustee is the only registered holder of the Subordinated Debentures at the time the Company selects an Extended Interest Payment Period, the Company shall give written notice to both the Regular Trustees and the Property Trustee of its selection of such Extended Interest Payment Period one Business Day before the earlier of (i) the next succeeding date on which Distributions on the Trust Securities issued by the Trust are payable, or (ii) the date the Trust is required to give notice of the record or payment date for such Distributions to the New York Stock Exchange or other applicable self-regulatory organization or to holders of the Preferred Securities issued by the Trust, but in any event at least one Business Day before such record date.

(b) If the Property Trustee is not the only holder of the Subordinated Debentures at the time the Company selects an Extended Interest Payment Period, the Company shall give the holders of the Subordinated Debentures and the Trustee written notice of its selection of such Extended Interest Payment Period ten (10) Business Days before the earlier of (i) the next succeeding Interest Payment Date, or (ii) the date the Company is required to give notice of the record or payment date of such interest payment to the New York Stock Exchange or other applicable self-regulatory organization or to holders of the Subordinated Debentures, but in any event at least two Business Days before such record date.

(c) The quarter in which any notice is given pursuant to paragraphs (a) or (b) of this Section 4.2 shall be counted as one of the twenty quarters permitted in the maximum Extended Interest Payment Period permitted under Section 4.1.

Section 5.1. Payment of Expenses. In connection with the offering, sale and issuance of the Subordinated Debentures to the Property Trustee in connection with the sale of the Trust Securities by the Trust, the Company shall:

(a) pay all costs and expenses relating to the offering, sale and issuance of the Subordinated Debentures, including commissions to the underwriters payable pursuant to the Underwriting Agreement and compensation of the Trustee under the Indenture in accordance with the provisions of Section 7.06 of the Indenture;

(b) pay all costs and expenses of the Trust (including, but not limited to, costs and expenses relating to the organization of the Trust, the offering, sale and issuance of the Trust Securities (including commissions to the underwriters in connection therewith), the fees and expenses of the Property Trustee and the Delaware Trustee, the costs and expenses relating to the operation of the Trust, including without limitation, costs and expenses of accountants, attorneys, statistical or bookkeeping services, expenses for printing and engraving and computing or accounting equipment, paying agent(s), registrar(s), transfer agent(s), duplicating, travel and telephone and other telecommunications expenses and costs and expenses incurred in connection with the acquisition, financing, and disposition of Trust assets); and

(c) pay any and all taxes (other than United States withholding taxes attributable to the Trust or its assets) and all liabilities, costs and expenses with respect to such taxes of the Trust.

ARTICLE VI

SUBORDINATION

Section 6.1. Agreement to Subordinate. The Company covenants and agrees, and each holder of Subordinated Debentures issued hereunder by such holder's acceptance thereof likewise covenants and agrees, that all Subordinated Debentures shall be issued subject to the provisions of this Article VI; and each holder of a Subordinated Debenture, whether upon original issue or upon transfer or assignment thereof, accepts and agrees to be bound by such provisions.

The payment by the Company of the principal of, premium, if any, and interest on all Subordinated Debentures issued hereunder shall, to the extent and in the manner hereinafter set forth, be subordinated and subject in right of payment to the prior payment in full of all Senior Indebtedness of the Company, whether outstanding at the date of this _____ Supplemental Indenture or thereafter incurred.

No provision of this Article VI shall prevent the occurrence of any default or Event of Default hereunder.

Section 6.2. Default on Senior Indebtedness. In the event and during the continuation of any default by the Company in the payment of principal, premium, interest or any other payment due on any Senior Indebtedness of the Company, or in the event that the maturity of any Senior Indebtedness of the Company has been accelerated because of a default, then, in either case, no payment shall be made by the Company with respect to the principal (including redemption and sinking fund payments) of, or premium, if any, or interest on the Subordinated Debentures.

In the event that, notwithstanding the foregoing, any payment shall be received by the Trustee or any holder of Subordinated Debentures when such payment is prohibited by the preceding paragraph of this Section 6.2, such payment shall be held in trust for the benefit of, and shall be paid over or delivered to, the holders of Senior Indebtedness or their respective representatives, or to the trustee or trustees under any indenture pursuant to which any of such Senior Indebtedness may have been issued, as their respective interests may appear, but only to the extent that the holders of the Senior Indebtedness (or their representative or representatives or a trustee) notify the Trustee within 90 days of such payment of the amounts then due and owing on the Senior Indebtedness and only the amounts specified in such notice to the Trustee shall be paid to the holders of Senior Indebtedness.

Section 6.3. Liquidation; Dissolution; Bankruptcy. Upon any payment by the Company, or distribution of assets of the Company of any kind or character, whether in cash, property or securities, to creditors upon any

dissolution or winding-up or liquidation or reorganization of the Company, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other proceedings, all amounts due upon all Senior Indebtedness of the Company shall first be paid in full, or payment thereof provided for in money in accordance with its terms, before any payment is made by the Company on account of the principal (and premium, if any) or interest on the Subordinated Debentures; and upon any such dissolution or winding-up or liquidation or reorganization, any payment by the Company, or distribution of assets of the Company of any kind or character, whether in cash, property or securities, to which the holders of the Subordinated Debentures or the Trustee would be entitled to receive from the Company, except for the provisions of this Article VI, shall be paid by the Company or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other Person making such payment or distribution, or by the holders of the Subordinated Debentures or by the Trustee under this Indenture if received by them or it, directly to the holders of Senior Indebtedness of the Company (pro rata to such holders on the basis of the respective amounts of Senior Indebtedness held by such holders, as calculated by the Company) or their representative or representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing such Senior Indebtedness may have been issued, as their respective interests may appear, to the extent necessary to pay such Senior Indebtedness in full, in money or money's worth, after giving effect to any concurrent payment or distribution to or for the holders of such Senior Indebtedness, before any payment or distribution is made to the holders of Subordinated Debentures or to the Trustee.

In the event that, notwithstanding the foregoing, any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, prohibited by the foregoing, shall be received by the Trustee or the holders of the Subordinated Debentures before all Senior Indebtedness of the Company is paid in full, or provision is made for such payment in money in accordance with its terms, such payment or distribution shall be held in trust for the benefit of and shall be paid over or delivered to the holders of such Senior Indebtedness or their representative or representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing such Senior Indebtedness may have been issued, as their respective interests may appear, as calculated by the Company, for application to the payment of all Senior Indebtedness of the Company remaining unpaid to the extent necessary to pay such Senior Indebtedness in full in money in accordance with its terms, after giving effect to any concurrent payment or distribution to or for the benefit of the holders of such Senior Indebtedness.

For purposes of this Article VI, the words "cash, property or securities" shall not be deemed to include shares of stock of the Company as reorganized or readjusted, or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment, the payment of which is subordinated at least to the extent provided in this Article VI with respect to the Subordinated Debentures to the payment of all Senior Indebtedness of the Company that may at the time be outstanding, provided that (i) such Senior Indebtedness is assumed by the new corporation, if any, resulting from any such reorganization or readjustment, and (ii) the rights of the holders of such Senior Indebtedness are not, without the consent of such holders, altered by such reorganization or readjustment. The consolidation of the Company with, or the merger of the Company into, another corporation or the liquidation or dissolution of the Company following the conveyance or transfer of its property as an entirety, or substantially as an entirety, to another corporation upon the terms and conditions provided for in Article X of the Indenture shall not be deemed a dissolution, winding-up, liquidation or reorganization for the purposes of this Section 6.3 if such other corporation shall, as a part of such consolidation, merger, conveyance or transfer, comply with the conditions stated in Article X of the Indenture. Nothing in Section 6.2 or in this Section 6.3 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 7.06 of the Indenture.

Section 6.4. Subrogation. Subject to the payment in full of all Senior Indebtedness of the Company, the rights of the holders of the Subordinated Debentures shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company applicable to such Senior Indebtedness until the principal of (and premium, if any) and interest on the Subordinated Debentures shall be paid in full; and, for the purposes of such subrogation, no payments or distributions to the holders of such Senior Indebtedness of any cash, property or securities to which the holders of the Subordinated Debentures or the Trustee would be entitled except for the provisions of this Article

VI, and no payment over pursuant to the provisions of this Article VI, to or for the benefit of the holders of such Senior Indebtedness by holders of the Subordinated Debentures or the Trustee, shall, as between the Company, its creditors other than holders of Senior Indebtedness of the Company, and the holders of the Subordinated Debentures be deemed to be a payment by the Company to or on account of such Senior Indebtedness. It is understood that the provisions of this Article VI are and are intended solely for the purposes of defining the relative rights of the holders of the Subordinated Debentures, on the one hand, and the holders of such Senior Indebtedness on the other hand.

Nothing contained in this Article VI or elsewhere in this Indenture or in the Subordinated Debentures is intended to or shall impair, as between the Company, its creditors other than the holders of Senior Indebtedness of the Company, and the holders of the Subordinated Debentures, the obligation of the Company which is absolute and unconditional, to pay to the holders of the Subordinated Debentures the principal of (and premium, if any) and interest on the Subordinated Debentures as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the holders of the Subordinated Debentures and creditors of the Company, other than the holders of Senior Indebtedness of the Company, nor shall anything herein or therein prevent the Trustee or the holder of any Subordinated Debenture from exercising all remedies otherwise permitted by applicable law upon default under the Indenture, subject to the rights, if any, under this Article VI of the holders of such Senior Indebtedness in respect of cash, property or securities of the Company, received upon the exercise of any such remedy.

Upon any payment or distribution of assets of the Company referred to in this Article VI, the Trustee, subject to the provisions of Section 7.01 of the Indenture, and the holders of the Subordinated Debentures, shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding-up, liquidation or reorganization proceedings are pending, or a certificate of the receiver, trustee in bankruptcy, liquidation trustee, agent or other Person making such payment or distribution, delivered to the Trustee or to the holders of the Subordinated Debentures, for the purposes of ascertaining the Persons entitled to participate in such distribution, the holders of Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article VI.

Section 6.5. Trustee to Effectuate Subordination. Each holder of a Subordinated Debenture by such holder's acceptance thereof authorizes and directs the Trustee on such holder's behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article VI and appoints the Trustee such holder's attorney-in-fact for any and all such purposes.

Section 6.6. Notice by the Company. The Company shall give prompt written notice to a Responsible Officer of the Trustee of any fact known to the Company that would prohibit the making of any payment of monies to or by the Trustee in respect of the Subordinated Debentures pursuant to the provisions of this Article VI. Notwithstanding the provisions of this Article VI or any other provision of the Indenture and this _____ Supplemental Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment of monies to or by the Trustee in respect of the Subordinated Debentures pursuant to the provisions of this Article VI unless and until a Responsible Officer of the Trustee shall have received written notice thereof at the Principal Office of the Trustee from the Company or a holder or holders of Senior Indebtedness or from any trustee therefor; and before the receipt of any such written notice, the Trustee, subject to the provisions of Section 7.01 of the Indenture, shall be entitled in all respects to assume that no such facts exist; provided, however, that if the Trustee shall not have received the notice provided for in this Section 6.6 at least two Business Days prior to the date upon which by the terms hereof any money may become payable for any purpose (including, without limitation, the payment of the principal of (or premium, if any) or interest on any Subordinated Debenture), then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such money and to apply the same to the purposes for which they were received, and shall not be affected by any notice to the contrary that may be received by it within two Business Days prior to such date.

The Trustee, subject to the provisions of Section 7.01 of the Indenture, shall be entitled to rely on the delivery to it of a written notice by a Person representing himself to be a holder of Senior Indebtedness of the Company (or a trustee on behalf of such holder) to establish that

such notice has been given by a holder of such Senior indebtedness or a trustee on behalf of any such holder or holders. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of such Senior Indebtedness to participate in any payment or distribution pursuant to this Article VI, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of such Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article VI, and if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 6.7. Rights of the Trustee; Holders of Senior Indebtedness. The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article VI in respect of any Senior Indebtedness at any time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture shall deprive the Trustee of any of its rights as such holder.

With respect to the holders of Senior Indebtedness of the Company, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Article VI, and no implied covenants or obligations with respect to the holders of such Senior Indebtedness shall be read into this Indenture against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of such Senior Indebtedness and, subject to the provisions of Section 7.01 of the Indenture, the Trustee shall not be liable to any holder of such Senior Indebtedness if it shall pay over or deliver to holders of Subordinated Debentures, the Company or any other Person money or assets to which any holder of such Senior Indebtedness shall be entitled by virtue of this Article VI or otherwise.

Section 6.8. Subordination May Not Be Impaired. No right of any present or future holder of any Senior Indebtedness of the Company to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act, in good faith, by any such holder, or by any noncompliance by the Company with the terms, provisions and covenants of the Indenture, regardless of any knowledge thereof that any such holder may have or otherwise be charged with.

Without in any way limiting the generality of the foregoing paragraph, the holders of Senior Indebtedness of the Company may, at any time and from time to time, without the consent of or notice to the Trustee or the holders of the Subordinated Debentures, without incurring responsibility to the holders of the Subordinated Debentures and without impairing or releasing the subordination provided in this Article VI or the obligations hereunder of the holders of the Subordinated Debentures to the holders of such Senior Indebtedness, do any one or more of the following: (i) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, such Senior Indebtedness, or otherwise amend or supplement in any manner such Senior Indebtedness or any instrument evidencing the same or any agreement under which such Senior Indebtedness is outstanding; (ii) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing such Senior Indebtedness; (iii) release any Person liable in any manner for the collection of such Senior Indebtedness; and (iv) exercise or refrain from exercising any rights against the Company and any other Person.

ARTICLE VII

COVENANT TO LIST ON EXCHANGE

Section 7.1. Listing on Exchange. If the Subordinated Debentures are to be issued as a Global Security in connection with the distribution of the Subordinated Debentures to the holders of the Preferred Securities issued by the Trust upon the dissolution of the Trust, the Company will use its best efforts to list such Subordinated Debentures on the New York Stock Exchange or on such other exchange as the Preferred Securities are then listed.

ARTICLE VIII

FORM OF SUBORDINATED DEBENTURE

Section 8.1. Form of Subordinated Debenture. The Subordinated Debentures and the Trustee's Certificate of

Authentication to be endorsed thereon are to be substantially in the following forms:

(FORM OF FACE OF SUBORDINATED DEBENTURE)

[IF THE SUBORDINATED DEBENTURE IS TO BE A GLOBAL SECURITY, INSERT: This Subordinated Debenture is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of a Depository or a nominee of a Depository. This Subordinated Debenture is exchangeable for Subordinated Debentures registered in the name of a person other than the Depository or its nominee only in the limited circumstances described in the Indenture, and no transfer of this Subordinated Debenture (other than a transfer of this Subordinated Debenture as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository) may be registered except in limited circumstances.

Unless this Subordinated Debenture is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any Subordinated Debenture issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment hereon is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY A PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.]

\$

No.

CUSIP No.

KANSAS CITY POWER & LIGHT COMPANY

_____% JUNIOR SUBORDINATED DEFERRABLE INTEREST DEBENTURE
DUE _____, 20__

KANSAS CITY POWER & LIGHT COMPANY, a Missouri corporation (the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, the principal sum of _____ Dollars on _____, 20__, or such earlier date established by the Company not earlier than _____, and to pay interest on said principal sum from _____, ___ or from the most recent interest payment date (each such date, an "Interest Payment Date") to which interest has been paid or duly provided for, quarterly (subject to deferral as set forth herein) in arrears on March 31, June 30, September 30 and December 31 of each year commencing, _____, ____, at the rate of ___% per annum until the principal hereof shall have become due and payable, and on any overdue principal and premium, if any, and (without duplication and to the extent that payment of such interest is enforceable under applicable law) on any overdue installment of interest compounded quarterly at the same rate per annum. The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. In the event that any date on which interest is payable on this Subordinated Debenture is not a Business Day, then payment of interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of any such delay), except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. The interest installment so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Subordinated Debenture (or one or more Predecessor Securities, as defined in said Indenture) is registered at the close of business on the regular record date for such interest installment [which shall be the close of business on the Business Day next preceding such Interest Payment Date.] [IF PURSUANT TO THE PROVISIONS OF Section 2.11(C) OF THE INDENTURE THE SUBORDINATED DEBENTURES ARE NO LONGER REPRESENTED BY A GLOBAL SECURITY -- which shall be the close of business on the _____ day preceding such Interest Payment Date.] Any such interest installment not punctually paid or duly provided for shall forthwith cease to be payable to the registered holders on such regular record date, and may be paid to the Person in whose name this Subordinated Debenture (or one or more Predecessor Securities) is registered at the close of business on a special record date to be fixed by the Trustee for the payment of such defaulted interest, notice whereof shall be given to the registered holders of this series of Subordinated Debentures not less than ten (10) days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the

Subordinated Debentures may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. The principal of (and premium, if any) and the interest on this Subordinated Debenture shall be payable at the office or agency of the Trustee maintained for that purpose in Chicago, Illinois, in any coin or currency of the United States of America which at the time of payment is legal tender for payment of public and private debts; provided, however, that payment of interest may be made at the option of the Company by check mailed to the registered holder at such address as shall appear in the Security Register. Notwithstanding the foregoing, so long as the holder of this Subordinated Debenture is the Property Trustee, the payment of the principal of (and premium, if any) and interest on this Subordinated Debenture will be made at such place and to such account as may be designated by the Property Trustee.

The indebtedness evidenced by this Subordinated Debenture is, to the extent provided in the Indenture, subordinate and junior in right of payment to the prior payment in full of all Senior Indebtedness, and this Subordinated Debenture is issued subject to the provisions of the Indenture with respect thereto. Each holder of this Subordinated Debenture, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee on behalf of such holder to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination so provided and (c) appoints the Trustee the attorney-in-fact of such holder for any and all such purposes. Each holder hereof, by acceptance hereof, hereby waives all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such holder upon said provisions.

This Subordinated Debenture shall not be entitled to any benefit under the Indenture hereinafter referred to, be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by or on behalf of the Trustee.

Unless the Certificate of Authentication hereon has been executed by the Trustee referred to on the reverse side hereof, this Subordinated Debenture shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

The provisions of this Subordinated Debenture are continued on the reverse side hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed.

Dated
KANSAS CITY POWER & LIGHT COMPANY
By
[Title]

Attest:

By
Secretary

(FORM OF CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This is one of the Subordinated Debentures of the series of Subordinated Debentures described in the within-mentioned Indenture.

THE FIRST NATIONAL BANK
OF CHICAGO,
Not in Its Individual
Capacity But Solely
as Trustee

as Authentication Agent

By Authorized Signatory By Authorized Signatory

(FORM OF REVERSE OF SUBORDINATED DEBENTURE)

This Subordinated Debenture is one of a duly authorized series of Subordinated Debentures of the Company (herein sometimes referred to as the "Subordinated Debentures"), specified in the Indenture, all issued or to

be issued in one or more series under and pursuant to an Indenture dated as of _____, 199_, duly executed and delivered between the Company and The First National Bank of Chicago, not in its individual capacity but solely as trustee (the "Trustee"), as supplemented by the _____ Supplemental Indenture dated as of _____, 199_ between the Company and the Trustee (the Indenture as so supplemented, the "Indenture"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company and the holders of the Subordinated Debentures. By the terms of the Indenture, the Subordinated Debentures are issuable in series which may vary as to amount, date of maturity, rate of interest and in other respects as in the Indenture provided. This series of Subordinated Debentures is limited in aggregate principal amount as specified in said _____ Supplemental Indenture.

Upon the occurrence and continuation of a Tax Event, in certain circumstances this Subordinated Debenture will become due and payable at the principal amount together with any interest accrued thereon (the "Redemption Price"). The Redemption Price shall be paid prior to 12:00 noon, New York time, on the date of such redemption or at such earlier time as the Company determines. The Company shall have the right to redeem this Subordinated Debenture at the option of the Company, without premium or penalty, in whole or in part at any time on or after _____, ____ (an "Optional Redemption"), at the Redemption Price. Any Optional Redemption pursuant to this paragraph will be made upon not less than 30 days' nor more than 60 days' notice, at the Redemption Price. If the Subordinated Debentures are only partially redeemed by the Company pursuant to an Optional Redemption, the Subordinated Debentures will be redeemed pro rata or by lot or by any other method utilized by the Trustee; provided that if at the time of redemption, the Subordinated Debentures are registered as a Global Security, the Depository shall determine by lot the principal amount of such Subordinated Debentures held by each holder to be redeemed.

In the event of redemption of this Subordinated Debenture in part only, a new Subordinated Debenture or Subordinated Debentures of this series for the unredeemed portion hereof will be issued in the name of the holder hereof upon the cancellation hereof.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of all of the Subordinated Debentures may be declared, and upon such declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

The Indenture contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than a majority in aggregate principal amount of the Subordinated Debentures of each series affected at the time Outstanding, as defined in the Indenture, to execute supplemental indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or of modifying in any manner the rights of the holders of the Subordinated Debentures; provided, however, that no such supplemental indenture shall (i) extend the fixed maturity of any Subordinated Debentures of any series, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the holder of each Subordinated Debenture so affected or (ii) reduce the aforesaid percentage of Subordinated Debentures, the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of each Subordinated Debenture then outstanding and affected thereby. The Indenture also contains provisions permitting the holders of a majority in aggregate principal amount of the Subordinated Debentures of any series at the time outstanding affected thereby, on behalf of all of the holders of the Subordinated Debentures of such series, to waive any past default in the performance of any of the covenants contained in the Indenture, or established pursuant to the Indenture with respect to such series, and its consequences, except a default in the payment of the principal of or premium, if any, or interest on any of the Subordinated Debentures of such series. Any such consent or waiver by the registered holder of this Subordinated Debenture (unless revoked as provided in the Indenture) shall be conclusive and binding upon such holder and upon all future holders and owners of this Subordinated Debenture and of any Subordinated Debenture issued in exchange hereof or in place hereof (whether by registration of transfer or otherwise), irrespective of whether or not any notation of such consent or waiver is made upon this Subordinated Debenture.

No reference herein to the Indenture and no provision of this Subordinated Debenture or of the Indenture

shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and premium, if any, and interest on this Subordinated Debenture at the time and place and at the rate and in the money herein prescribed.

The Company shall have the right at any time during the term of the Subordinated Debentures, from time to time to extend the interest payment period of such Subordinated Debentures for up to twenty (20) consecutive quarters (an "Extended Interest Payment Period"), at the end of which period the Company shall pay all interest then accrued and unpaid (together with interest thereon at the rate specified for the Subordinated Debentures to the extent that payment of such interest is enforceable under applicable law). Before the termination of any such Extended Interest Payment Period, the Company may further extend such Extended Interest Payment Period, provided that such Extended Interest Payment Period together with all such further extensions thereof shall not exceed twenty (20) consecutive quarters or extend beyond the maturity of the Subordinated Debentures. At the termination of any such Extended Interest Payment Period and upon the payment of all accrued and unpaid interest and any additional amounts then due, the Company may select a new Extended Interest Payment Period.

As provided in the Indenture and subject to certain limitations therein set forth, this Subordinated Debenture is transferable by the registered holder hereof on the Security Register of the Company, upon surrender of this Subordinated Debenture for registration of transfer at the office or agency of the Trustee in Chicago, Illinois, accompanied by a written instrument or instruments of transfer in form satisfactory to the Company or the Trustee duly executed by the registered holder hereof or the attorney of such holder duly authorized in writing, and thereupon one or more new Subordinated Debentures of authorized denominations and for the same aggregate principal amount and series will be issued to the designated transferee or transferees. No service charge will be made for any such transfer, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in relation thereto.

Prior to due presentment for registration of transfer of this Subordinated Debenture, the Company, the Trustee, any paying agent and any Security Registrar may deem and treat the registered holder hereof as the absolute owner hereof (whether or not this Subordinated Debenture shall be overdue and notwithstanding any notice of ownership or writing hereon made by anyone other than the Security Registrar) for the purpose of receiving payment of or on account of the principal hereof and premium, if any, and interest due hereon and for all other purposes, and neither the Company nor the Trustee nor any paying agent nor any Security Registrar shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or the interest on this Subordinated Debenture, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture, against any incorporator, stockholder, officer or director, past, present or future, as such, of the Company or of any 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 being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

[The Subordinated Debentures of this series are issuable only in registered form without coupons in denominations of \$25 and any integral multiple thereof.] [This Global Security is exchangeable for Subordinated Debentures in definitive form only under certain limited circumstances set forth in the Indenture. Subordinated Debentures of this series so issued are issuable only in registered form without coupons in denominations of \$25 and any integral multiple thereof.] As provided in the Indenture and subject to certain limitations [herein and] therein set forth, Subordinated Debentures of this series [so issued] are exchangeable for a like aggregate principal amount of Subordinated Debentures of this series of a different authorized denomination, as requested by the holder surrendering the same.

All terms used in this Subordinated Debenture which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ARTICLE IX

Section 9.1. Original Issue of Subordinated Debentures. Subordinated Debentures in the aggregate principal amount of \$_____ may, upon execution of this _____ Supplemental Indenture, be executed by the Company and delivered to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver said Subordinated Debentures to or upon the written order of the Company, signed by its Chairman, its President, or any Vice President and its Treasurer or an Assistant Treasurer, without any further action by the Company.

ARTICLE X

MISCELLANEOUS

Section 10.1. Ratification of Indenture. The Indenture, as supplemented by this _____ Supplemental Indenture, is in all respects ratified and confirmed, and this _____ Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided.

Section 10.2. Trustee Not Responsible for Recitals. The recitals herein contained are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this _____ Supplemental Indenture.

Section 10.3. Governing Law. This _____ Supplemental Indenture and each Subordinated Debenture shall be deemed to be a contract made under the internal laws of the State of New York, and for all purposes shall be construed in accordance with the laws of said State.

Section 10.4. Separability. In case any one or more of the provisions contained in this _____ Supplemental Indenture or in the Subordinated Debentures shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this _____ Supplemental Indenture or of the Subordinated Debentures, but this _____ Supplemental Indenture and the Subordinated Debentures shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein or therein.

Section 10.5. Counterparts. This _____ Supplemental Indenture may be executed in any number of counterparts each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this _____ Supplemental Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, on the date or dates indicated in the acknowledgments and as of the day and year first above written.

KANSAS CITY POWER & LIGHT COMPANY

By: _____
Name:
Title:

[Corporate Seal]

Attest:

Secretary

THE FIRST NATIONAL BANK OF CHICAGO,
not in its individual capacity
but solely as Trustee

By: _____
Title:
Name:

[Corporate Seal]

Attest:

Title:

STATE OF MISSOURI)
COUNTY OF JACKSON) ss:

On the _____ day of _____, 199_, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he is a _____ of KANSAS CITY POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

NOTARY PUBLIC

[seal] Commission expires

STATE OF ILLINOIS)
COUNTY OF COOK):

On the _____ day of _____, 199_, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he is the _____ of THE FIRST NATIONAL BANK OF CHICAGO, one of the corporations described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

NOTARY PUBLIC

[seal] Commission expires

PREFERRED SECURITIES GUARANTEE AGREEMENT

KCPL Financing ___

Dated as of _____, 199_

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PREFERRED SECURITIES GUARANTEE AGREEMENT

THIS PREFERRED SECURITIES GUARANTEE AGREEMENT (this "Guarantee Agreement"), dated as of _____, 199_, is executed and delivered by KANSAS CITY POWER & LIGHT COMPANY, a Missouri corporation (the "Guarantor"), and The

First National Bank of Chicago, a national banking association duly organized and existing under the laws of the United States, as trustee (the "Guarantee Trustee"), for the benefit of the Holders (as defined herein) from time to time of the Preferred Securities (as defined herein) of KCPL Financing __, a Delaware statutory business trust (the "Issuer").

W I T N E S S E T H:

WHEREAS, pursuant to an Amended and Restated Declaration of Trust (the "Declaration"), dated as of _____, 199_, among the trustees of the Issuer, the Guarantor as Sponsor and the holders from time to time of undivided beneficial interests in the assets of the Issuer, the Issuer is issuing on the date hereof \$_____ aggregate stated liquidation amount of its ___% Trust Originated Preferred Securities (the "Preferred Securities"); and

WHEREAS, as incentive for the Holders to purchase the Preferred Securities, the Guarantor desires irrevocably and unconditionally to agree, to the extent set forth in this Guarantee Agreement, to pay to the Holders of the Preferred Securities the Guarantee Payments (as defined herein) and to make certain other payments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the purchase by each Holder of Preferred Securities, which purchase the Guarantor hereby agrees shall benefit the Guarantor, the Guarantor executes and delivers this Guarantee Agreement for the benefit of the Holders.

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. In this Guarantee Agreement, unless the context otherwise requires: (a) capitalized terms used in this Guarantee Agreement but not defined in the preamble above have the respective meanings assigned to them in this Section 1.1; (b) a term defined anywhere in this Guarantee Agreement has the same meaning throughout; and (c) a term defined in the Trust Indenture Act has the same meaning when used in this Guarantee Agreement unless otherwise defined in this Guarantee Agreement or unless the context otherwise requires.

Affiliate:

The term "Affiliate" has the same meaning as given to that term in Rule 405 of the Securities Act of 1933 or any successor rule thereunder.

Business Day:

The term "Business Day" means any day other than a day on which banking institutions in Chicago, Illinois or New York, New York are authorized or required by any applicable law to close.

Common Securities:

The term "Common Securities" means the securities representing common undivided beneficial interests in the assets of the Issuer.

Covered Person:

The term "Covered Person" means any Holder or beneficial owner of Preferred Securities.

Event of Default:

The term "Event of Default" means a default by the Guarantor on any of its payment or other obligations under this Guarantee Agreement.

Guarantee Payments:

The term "Guarantee Payments" means the following payments or distributions, without duplication, with respect to the Preferred Securities, to the extent not paid or made by the Issuer: (i) any accrued and unpaid Distributions (as defined in the Declaration) that are required to be paid on the Preferred Securities to the extent the Issuer shall have funds available therefor, (ii) the redemption price, including all accrued and unpaid Distributions to the date of redemption (the "Redemption Price") to the extent the Issuer has funds available therefor, with respect to any Preferred Securities called for redemption by the Issuer, and (iii) upon a voluntary or involuntary dissolution, winding-up or termination of the Issuer (other than in connection with the distribution of Subordinated Debentures to the Holders in exchange for Preferred Securities as provided in the Declaration), the lesser of (a) the

aggregate of the liquidation amount and all accrued and unpaid Distributions on the Preferred Securities to the date of payment, and (b) the amount of assets of the Issuer remaining available for distribution to Holders in liquidation of the Issuer (in either case, the "Liquidation Distribution").

Guarantee Trustee:

The term "Guarantee Trustee" means The First National Bank of Chicago, as trustee under this Guarantee Agreement, until a Successor Guarantee Trustee has been appointed and has accepted such appointment pursuant to the terms of this Guarantee Agreement and thereafter means such Successor Guarantee Trustee.

Holder:

The term "Holder" shall mean any holder, as registered on the books and records of the Issuer, of any Preferred Securities; provided, however, that, in determining whether the holders of the requisite percentage of Preferred Securities have given any request, notice, consent or waiver hereunder, "Holder" shall not include the Guarantor or any Affiliate of the Guarantor.

Indemnified Person:

The term "Indemnified Person" means the Guarantee Trustee, any Affiliate of the Guarantee Trustee, or any officers, directors, shareholders, members, partners, employees, representatives or agents of the Guarantee Trustee.

Indenture:

The term "Indenture" means the Indenture dated as of _____, 199_, between the Guarantor (the "Debenture Issuer") and The First National Bank of Chicago, as trustee, and any amendment thereto and any indenture supplemental thereto pursuant to which certain unsecured subordinated debt securities of the Debenture Issuer are to be issued to the Property Trustee of the Issuer.

Majority in liquidation amount of the Securities:

The term "Majority in liquidation amount of the Securities" means, except as provided by the Trust Indenture Act, a vote by Holder(s) of Preferred Securities, voting separately as a class, of more than 50% of the liquidation amount (including the stated amount that would be paid on redemption, liquidation or maturity, plus accrued and unpaid Distributions to the date upon which the voting percentages are determined) of all Preferred Securities.

Officers' Certificate:

The term "Officers' Certificate" means, with respect to any Person, a certificate signed by two Authorized Officers of such Person. Any Officers' Certificate delivered with respect to compliance with a condition or covenant provided for in this Guarantee Agreement shall include:

(a) a statement that each such officer signing the Officers' Certificate has read the covenant or condition and the definition relating thereto;

(b) a brief statement of the nature and scope of the examination or investigation undertaken by each such officer in rendering the Officers' Certificate;

(c) a statement that each such officer has made such examination or investigation as, in such officer's opinion, is necessary to enable such officer to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether, in the opinion of each such officer, such condition or covenant has been complied with.

Person:

The term "Person" means any individual, corporation, partnership, limited liability company, joint venture, joint stock company, unincorporated association or government or any agency or political subdivision thereof, or any other entity of whatever nature.

Responsible Officer:

The term "Responsible Officer", when used with respect to the Guarantee Trustee, means the Chairman of the

board of directors, the President, any Vice President, the Secretary, the Treasurer, any trust officer, any corporate trust officer or any other officer or assistant officer of the Guarantee Trustee customarily performing functions similar to those performed by any of the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of that officer's knowledge of and familiarity with the particular subject.

Subordinated Debentures:

The term "Subordinated Debentures" means the series of unsecured subordinated debt securities of the Guarantor designated the _____% Junior Subordinated Defferable Interest Debentures due _____, _____ held by the Property Trustee of the Issuer.

Successor Guarantee Trustee:

The term "Successor Guarantee Trustee" means a successor Guarantee Trustee possessing the qualifications to act as Guarantee Trustee under Section 4.1.

Trust Indenture Act:

The term "Trust Indenture Act" means the Trust Indenture Act of 1939.

Section 1.2. Interpretation. Each definition in this Guarantee Agreement includes the singular and the plural, and references to the neuter gender include the masculine and feminine where appropriate. Terms which relate to accounting matters shall be interpreted in accordance with generally accepted accounting principles in effect from time to time. References to any statute mean such statute as amended at the time and include any successor legislation. The word "or" is not exclusive, and the words "herein," "hereof" and "hereunder" refer to this Guarantee Agreement as a whole. The headings to the Articles and Sections are for convenience of reference and shall not affect the meaning or interpretation of this Guarantee Agreement. References to Articles and Sections mean the Articles and Sections of this Guarantee Agreement unless otherwise specified.

**ARTICLE II
TRUST INDENTURE ACT**

Section 2.1. Trust Indenture Act; Application.

(a) This Guarantee Agreement is subject to the provisions of the Trust Indenture Act that are required to be part of this Guarantee Agreement and shall, to the extent applicable, be governed by such provisions.

(b) If and to the extent that any provision of this Guarantee Agreement limits, qualifies or conflicts with the duties imposed by Sections 310 to 317, inclusive, of the Trust Indenture Act, such imposed duties shall control.

Section 2.2. Lists of Holders of Preferred Securities.

(a) The Guarantor shall provide the Guarantee Trustee with a list, in such form as the Guarantee Trustee may reasonably require, of the names and addresses of the Holders of the Preferred Securities ("List of Holders") as of such date, (i) within ten Business Days after January 1 and June 30 of each year, and (ii) at any other time, within 30 days of receipt by the Guarantor of a written request for a List of Holders as of a date no more than 14 days before such List of Holders is given to the Guarantee Trustee, provided that the Guarantor shall not be obligated to provide such List of Holders at any time when the List of Holders does not differ from the most recent List of Holders given to the Guarantee Trustee by the Guarantor. The Guarantee Trustee may destroy any List of Holders previously given to it on receipt of a new List of Holders.

(b) The Guarantee Trustee shall comply with its obligations under Section 311(a), 311(b) and Section 312(b) of the Trust Indenture Act.

Section 2.3. Reports by the Guarantee Trustee. Within 60 days after May 15 of each year, the Guarantee Trustee shall provide to the Holders of the Preferred Securities such reports as are required by Section 313 of the Trust Indenture Act, if any, in the form and in the manner provided by Section 313 of the Trust Indenture Act. The Guarantee Trustee shall also comply with the requirements of Section 313(d) of the Trust Indenture Act.

Section 2.4. Periodic Reports to Guarantee Trustee. The Guarantor shall provide to the Guarantee Trustee such documents, reports and information as required

by Section 314 (if any) and the compliance certificate required by Section 314 of the Trust Indenture Act in the form, in the manner and at the times required by Section 314 of the Trust Indenture Act.

Section 2.5. Evidence of Compliance with Conditions Precedent. The Guarantor shall provide to the Guarantee Trustee such evidence of compliance with any conditions precedent, if any, provided for in this Guarantee Agreement that relate to any of the matters set forth in Section 314(c) of the Trust Indenture Act. Any certificate or opinion required to be given by an officer pursuant to Section 314(c)(1) may be given in the form of an Officers' Certificate.

Section 2.6. Events of Default; Waiver. The Holders of a Majority in liquidation amount of Preferred Securities may, by vote, on behalf of the Holders of all of the Preferred Securities, waive any past Event of Default and its consequences. Upon such waiver, any such Event of Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Guarantee Agreement, but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 2.7. Events of Default; Notice.

(a) The Guarantee Trustee shall, within 90 days after a Responsible Officer has knowledge of the occurrence of an Event of Default, transmit by mail, first class postage prepaid, to the Holders of the Preferred Securities, notices of all Events of Default known to the Guarantee Trustee, unless such defaults have been cured before the giving of such notice, provided, that the Guarantee Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers of the Guarantee Trustee in good faith determines that the withholding of such notice is in the interests of the Holders of the Preferred Securities.

(b) The Guarantee Trustee shall not be deemed to have knowledge of any Event of Default unless the Guarantee Trustee shall have received written notice, or a Responsible Officer charged with the administration of the Declaration shall have obtained written notice, of such Event of Default.

Section 2.8. Conflicting Interests. The Declaration shall be deemed to be specifically described in this Guarantee Agreement for the purposes of clause (i) of the first proviso contained in Section 310(b) of the Trust Indenture Act.

ARTICLE III POWERS, DUTIES AND RIGHTS OF GUARANTEE TRUSTEE

Section 3.1. Powers and Duties of the Guarantee Trustee.

(a) This Guarantee Agreement shall be held by the Guarantee Trustee for the benefit of the Holders of the Preferred Securities, and the Guarantee Trustee shall not transfer this Guarantee Agreement to any Person except to a Holder of Preferred Securities exercising the rights of such Holder pursuant to Section 5.4(b) or to a Successor Guarantee Trustee on acceptance by such Successor Guarantee Trustee of its appointment to act as Successor Guarantee Trustee. The right, title and interest of the Guarantee Trustee shall automatically vest in any Successor Guarantee Trustee, and such vesting and cessation of title shall be effective whether or not conveyancing documents have been executed and delivered pursuant to the appointment of such Successor Guarantee Trustee.

(b) If an Event of Default has occurred and is continuing, the Guarantee Trustee shall enforce this Guarantee Agreement for the benefit of the Holders of the Preferred Securities.

(c) The Guarantee Trustee, before the occurrence of any Event of Default and after the curing of all Events of Default that may have occurred, shall undertake to perform only such duties as are specifically set forth in this Guarantee Agreement, and no implied covenants shall be read into this Guarantee Agreement against the Guarantee Trustee. In case an Event of Default has occurred (that has not been cured or waived pursuant to Section 2.6), the Guarantee Trustee shall exercise such of the rights and powers vested in it by this Guarantee Agreement, and use the same degree of care and skill in its exercise thereof, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(d) No provision of this Guarantee Agreement shall be construed to relieve the Guarantee Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) prior to the occurrence of any Event of Default and after the curing or waiving of all such Events of Default that may have occurred:

(A) the duties and obligations of the Guarantee Trustee shall be determined solely by the express provisions of this Guarantee Agreement, and the Guarantee Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Guarantee Agreement, and no implied covenants or obligations shall be read into this Guarantee Agreement against the Guarantee Trustee; and

(B) in the absence of bad faith on the part of the Guarantee Trustee, the Guarantee Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Guarantee Trustee and conforming to the requirements of this Guarantee Agreement; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Guarantee Trustee, the Guarantee Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Declaration;

(ii) the Guarantee Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Guarantee Trustee, unless it shall be proved that the Guarantee Trustee was negligent in ascertaining the pertinent facts upon which such judgment was made;

(iii) the Guarantee Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a Majority in liquidation amount of the Preferred Securities at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Guarantee Trustee, or exercising any trust or power conferred upon the Guarantee Trustee under this Guarantee Agreement; and

(iv) no provision of this Guarantee Agreement shall require the Guarantee Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it under the terms of this Guarantee Agreement or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 3.2. Certain Rights of Guarantee Trustee.

(a) Subject to the provisions of Section 3.1:

(i) The Guarantee Trustee may rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security or other paper or document believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(ii) Any direction or act of the Guarantor contemplated by this Guarantee Agreement shall be sufficiently evidenced by a Direction or an Officers' Certificate.

(iii) Whenever in the administration of this Guarantee Agreement the Guarantee Trustee shall deem it desirable that a matter be proved or established before taking, suffering or omitting any action hereunder, the Guarantee Trustee (unless other evidence is herein specifically prescribed) may, in the absence of bad faith on its part, request and rely upon an Officers' Certificate which, upon receipt of such request,

shall be promptly delivered by the Guarantor.

(iv) The Guarantee Trustee shall have no duty to see to any recording, filing or registration of any instrument (or any rerecording, refiling or reregistration thereof).

(v) The Guarantee Trustee may consult with counsel and the written advice or opinion of such counsel with respect to legal matters shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion. Such counsel may be counsel to the Guarantor or any of its Affiliates and may include any of its employees. The Guarantee Trustee shall have the right at any time to seek instructions concerning the administration of this Guarantee Agreement from any court of competent jurisdiction.

(vi) The Guarantee Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Guarantee Agreement at the request or direction of any Holder, unless such Holder shall have provided to the Guarantee Trustee reasonable security or indemnity against the costs, expenses (including attorneys' fees and expenses) and liabilities that might be incurred by it in complying with such request or direction, including such reasonable advances as may be requested by the Guarantee Trustee; provided that, nothing contained in this Section 3.2(a)(vi) shall, however, relieve the Guarantee Trustee, upon the occurrence of an Event of Default, of its obligation to exercise the rights and powers vested in it by this Guarantee Agreement.

(vii) The Guarantee Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, security or other papers or documents, but the Guarantee Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

(viii) The Guarantee Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Guarantee Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(ix) Any action taken by the Guarantee Trustee or its agents hereunder shall bind the Holders of the Preferred Securities, and the signature of the Guarantee Trustee or its agents alone shall be sufficient and effective to perform any such action. No third party shall be required to inquire as to the authority of the Guarantee Trustee to so act or as to its compliance with any of the terms and provisions of this Guarantee Agreement, both of which shall be conclusively evidenced by the Guarantee Trustee's or its agent's taking such action.

(x) Whenever in the administration of this Guarantee Agreement the Guarantee Trustee shall deem it desirable to receive instructions with respect to enforcing any remedy or right or taking any other action hereunder, the Guarantee Trustee (i) may request instructions from the Holders of a Majority in liquidation amount of the Preferred Securities, (ii) may refrain from enforcing such remedy or right or taking such other action until such instructions are received, and (iii) shall be protected in acting in accordance with such instructions.

(b) No provision of this Guarantee Agreement shall be deemed to impose any duty or obligation on the Guarantee Trustee to perform any act or acts or exercise any right, power, duty or obligation conferred or imposed on it in any jurisdiction in which it shall be illegal, or in which the Guarantee Trustee shall be unqualified or incompetent in accordance with applicable law, to perform any such act or acts or to exercise any such right, power, duty or obligation. No permissive power or authority available to the Guarantee Trustee shall be construed to be a duty.

Section 3.3. Not Responsible for Recitals or Issuance of Guarantee. The recitals contained in this

Guarantee shall be taken as the statements of the Guarantor, and the Guarantee Trustee does not assume any responsibility for their correctness. The Guarantee Trustee makes no representation as to the validity or sufficiency of this Guarantee Agreement.

ARTICLE IV GUARANTEE TRUSTEE

Section 4.1. Guarantee Trustee; Eligibility.

(a) There shall at all times be a Guarantee Trustee which shall:

(i) not be an Affiliate of the Guarantor; and

(ii) be a corporation organized and doing business under the laws of the United States of America or any State or Territory thereof or of the District of Columbia, or a corporation or Person permitted by the Securities and Exchange Commission to act as an institutional trustee under the Trust Indenture Act, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least fifty million U.S. dollars (\$50,000,000), and subject to supervision or examination by Federal, State, Territorial or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the supervising or examining authority referred to above, then, for the purposes of this Section 4.1(a)(ii), the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(b) If at any time the Guarantee Trustee shall cease to be eligible so to act under Section 4.1(a), the Guarantee Trustee shall immediately resign in the manner and with the effect set out in Section 4.2(c).

(c) If the Guarantee Trustee has or shall acquire any "conflicting interest" within the meaning of Section 310(b) of the Trust Indenture Act, the Guarantee Trustee and Guarantor shall in all respects comply with the provisions of Section 310(b) of the Trust Indenture Act.

Section 4.2. Appointment, Removal and Resignation of Guarantee Trustee.

(a) Subject to Section 4.2(b), the Guarantee Trustee may be appointed or removed without cause at any time by the Guarantor.

(b) The Guarantee Trustee shall not be removed in accordance with Section 4.2(a) until a Successor Guarantee Trustee has been appointed and has accepted such appointment by written instrument executed by such Successor Guarantee Trustee and delivered to the Guarantor.

(c) The Guarantee Trustee appointed to office shall hold office until a Successor Guarantee Trustee shall have been appointed or until its removal or resignation. The Guarantee Trustee may resign from office (without need for prior or subsequent accounting) by an instrument in writing executed by the Guarantee Trustee and delivered to the Guarantor, which resignation shall not take effect until a Successor Guarantee Trustee has been appointed and has accepted such appointment by instrument in writing executed by such Successor Guarantee Trustee and delivered to the Guarantor and the resigning Guarantee Trustee.

(d) If no Successor Guarantee Trustee shall have been appointed and accepted appointment as provided in this Section 4.2 within 60 days after delivery to the Guarantor of an instrument of resignation, the resigning Guarantee Trustee may petition any court of competent jurisdiction for appointment of a Successor Guarantee Trustee. Such court may thereupon, after prescribing such notice, if any, as it may deem proper, appoint a Successor Guarantee Trustee.

ARTICLE V GUARANTEE

Section 5.1. Guarantee. The Guarantor irrevocably and unconditionally agrees to pay in full to the Holders the Guarantee Payments (without duplication of amounts theretofore paid by the Issuer), as and when due, regardless of any defense, right of set-off or counterclaim that the Issuer may have or assert. The Guarantor's obligation to make a Guarantee Payment may be satisfied by direct payment of the required amounts by the Guarantor to the Holders or by causing the Issuer to pay such amounts to the Holders.

Section 5.2. Waiver of Notice and Demand. The Guarantor hereby waives notice of acceptance of this Guarantee Agreement and of any liability to which it applies or may apply, presentment, demand for payment, any right to require a proceeding first against the Issuer or any other Person before proceeding against the Guarantor, protest, notice of nonpayment, notice of dishonor, notice of redemption and all other notices and demands.

Section 5.3. Obligations Not Affected. The obligations, covenants, agreements and duties of the Guarantor under this Guarantee Agreement shall in no way be affected or impaired by reason of the happening from time to time of any of the following:

(a) the release or waiver, by operation of law or otherwise, of the performance or observance by the Issuer of any express or implied agreement, covenant, term or condition relating to the Preferred Securities to be performed or observed by the Issuer;

(b) the extension of time for the payment by the Issuer of all or any portion of the Distributions, Redemption Price, Liquidation Distribution or any other sums payable under the terms of the Preferred Securities or the extension of time for the performance of any other obligation under, arising out of, or in connection with, the Preferred Securities (other than an extension of time for payment of Distributions that results from the extension of any interest payment period on the Subordinated Debentures permitted by the Indenture);

(c) any failure, omission, delay or lack of diligence on the part of the Holders to enforce, assert or exercise any right, privilege, power or remedy conferred on the Holders pursuant to the terms of the Preferred Securities, or any action on the part of the Issuer granting indulgence or extension of any kind;

(d) the voluntary or involuntary liquidation, dissolution, sale of any collateral, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of debt of, or other similar proceedings affecting, the Issuer or any of the assets of the Issuer;

(e) any invalidity of, or defect or deficiency in, the Preferred Securities;

(f) the settlement or compromise of any obligation guaranteed hereby or hereby incurred; or

(g) any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a guarantor, it being the intent of this Section 5.3 that the obligations of the Guarantor hereunder shall be absolute and unconditional under any and all circumstances.

There shall be no obligation of the Holders to give notice to, or obtain consent of, the Guarantor with respect to the happening of any of the foregoing.

Section 5.4. Rights of Holders.

(a) The Holders of a Majority in liquidation amount of the Preferred Securities have the right to direct the time, method and place of conducting of any proceeding for any remedy available to the Guarantee Trustee in respect of this Guarantee Agreement or exercising any trust or power conferred upon the Guarantee Trustee under this Guarantee Agreement.

(b) If the Guarantee Trustee fails to enforce this Guarantee Agreement, any Holder of Preferred Securities may institute a legal proceeding directly against the Guarantor to enforce its rights under this Guarantee Agreement, without first instituting a legal proceeding against the Issuer, the Guarantee Trustee or any other Person.

Section 5.5. Guarantee of Payment. This Guarantee Agreement creates a guarantee of payment and not of collection.

Section 5.6. Subrogation. The Guarantor shall be subrogated to all (if any) rights of the Holders of Preferred Securities against the Issuer in respect of any amounts paid to such Holders by the Guarantor under this Guarantee Agreement; provided, however, that the Guarantor shall not (except to the extent required by mandatory provisions of law) be entitled to enforce or exercise any right that it may acquire by way of subrogation or any indemnity, reimbursement or other agreement, in all cases as a result of payment under this Guarantee Agreement, if, at the time

of any such payment, any amounts are due and unpaid under this Guarantee Agreement. If any amount shall be paid to the Guarantor in violation of the preceding sentence, the Guarantor agrees to hold such amount in trust for the Holders and to pay over such amount to the Holders.

Section 5.7. Independent Obligations. The Guarantor acknowledges that its obligations hereunder are independent of the obligations of the Issuer with respect to the Preferred Securities, and that the Guarantor shall be liable as principal and as debtor hereunder to make Guarantee Payments pursuant to the terms of this Guarantee Agreement notwithstanding the occurrence of any event referred to in subsections (a) through (g), inclusive, of Section 5.3 hereof.

ARTICLE VI LIMITATION OF TRANSACTIONS; SUBORDINATION

Section 6.1. Limitation of Transaction. So long as any Preferred Securities remain outstanding, if there shall have occurred an Event of Default or an event of default under the Declaration, then (a) the Guarantor shall not declare or pay any dividend on, or make any distribution with respect to, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its capital stock (other than (i) purchases or acquisitions of shares of Guarantor common stock in connection with the satisfaction by the Guarantor of its obligations under any employee benefit plans or any other contractual obligations of the Guarantor, other than a contractual obligation ranking *pari passu*, with or junior to the Subordinated Debentures), (ii) as a result of a reclassification of Company capital stock or the exchange or conversion of one class or series of Company capital stock for another class or series of Company capital stock or (iii) the purchase of fractional interests in shares of Company capital stock pursuant to the conversion or exchange provisions of such Company capital stock or the security being converted or exchanged), (b) the Guarantor shall not make any payment of interest, principal or premium, if any, on or repay, repurchase or redeem any debt securities (including guarantees) issued by the Guarantor which rank *pari passu* with or junior to the Subordinated Debentures and (c) the Guarantor shall not make any guarantee payments with respect to the foregoing (other than pursuant to this Guarantee Agreement and other guarantee agreements entered into by the Guarantor with respect to preferred securities of any Affiliate of the Guarantor).

Section 6.2. Ranking. This Guarantee Agreement will constitute an unsecured obligation of the Guarantor and will rank (i) subordinate and junior in right of payment to all other liabilities of the Guarantor, including the Subordinated Debentures, except those liabilities of the Guarantor made *pari passu* or subordinate by their terms, (ii) *pari passu* with the most senior preferred stock now or hereafter issued by the Guarantor and with any guarantee now or hereafter entered into by the Guarantor in respect of any preferred securities of any Affiliate of the Guarantor, and (iii) senior to the Guarantor's common stock.

ARTICLE VII TERMINATION

Section 7.1. Termination. This Guarantee Agreement shall terminate upon (i) full payment of the Redemption Price of all Preferred Securities, (ii) upon the distribution of the Subordinated Debentures to the Holders of all of the Preferred Securities or (iii) upon full payment of the amounts payable in accordance with the Declaration upon liquidation of the Issuer. Notwithstanding the foregoing, this Guarantee Agreement will continue to be effective or will be reinstated, as the case may be, if at any time any of Preferred Securities must restore payment of any sums paid under the Preferred Securities or under this Preferred Securities Guarantee.

ARTICLE VIII INDEMNIFICATION

Section 8.1. Exculpation.

(a) No Indemnified Person shall be liable, responsible or accountable in damages or otherwise to the Guarantor or any Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Indemnified Person in good faith in accordance with this Guarantee Agreement and in a manner that such Indemnified Person reasonably believed to be within the scope of the authority conferred on such Indemnified Person by this Guarantee Agreement or by law, except that an Indemnified Person shall be liable for any such loss, damage or claim incurred by reason of such Indemnified

Person's negligence or willful misconduct with respect to such acts or omissions.

(b) An Indemnified Person shall be fully protected in relying in good faith upon the records of the Guarantor and upon such information, opinions, reports or statements presented to the Guarantor by any Person as to matters the Indemnified Person reasonably believes are within such Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Guarantor, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits, losses, or any other facts pertinent to the existence and amount of assets from which Distributions to Holders of Preferred Securities might properly be paid.

Section 8.2. Indemnification.

(a) To the fullest extent permitted by applicable law, the Guarantor shall indemnify and hold harmless each Indemnified Person from and against any loss, damage or claim incurred by such Indemnified Person by reason of any act or omission performed or omitted by such Indemnified Person in good faith in accordance with this Guarantee Agreement and in a manner such Indemnified Person reasonably believed to be within the scope of authority conferred on such Indemnified Person by this Guarantee Agreement, except that no Indemnified Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Indemnified Person by reason of negligence or willful misconduct with respect to such acts or omissions.

(b) To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by an Indemnified Person in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Guarantor prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Guarantor of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall be determined that the Indemnified Person is not entitled to be indemnified as authorized in Section 8.2(a).

ARTICLE IX MISCELLANEOUS

Section 9.1. Successors and Assigns. All guarantees and agreements contained in this Guarantee Agreement shall bind the successors, assigns, receivers, trustees and representatives of the Guarantor and shall inure to the benefit of the Holders of the Preferred Securities then outstanding.

Section 9.2. Amendments. Except with respect to any changes that do not materially adversely affect the rights of Holders (in which case, no consent of Holders will be required), this Guarantee Agreement may only be amended with the prior approval of the Holders of at least 66-2/3% in liquidation amount of all the outstanding Preferred Securities. The provisions of Section 12.2 of the Declaration with respect to meetings of Holders of the Preferred Securities apply to the giving of such approval.

Section 9.3. Notices. All notices provided for in this Guarantee Agreement shall be in writing, duly signed by the party giving such notice, and shall be delivered, telecopied or mailed by registered or certified mail, as follows:

(a) If given to the Guarantee Trustee, at the Guarantee Trustee's mailing address set forth below (or such other address as the Guarantee Trustee may give notice of to the Holders of the Preferred Securities):

The First National Bank of Chicago
One First National Plaza, Suite 0126
Chicago, Illinois 60670-0126
Attention: Corporate Trust Administration

(b) If given to the Guarantor, at the Guarantor's mailing address set forth below (or such other address as the Guarantor may give notice of to the Holders of the Preferred Securities):

Kansas City Power & Light Company
1201 Walnut
Kansas City, Missouri 64106-2124
Attention: Treasurer

(c) If given to any Holder of Preferred Securities, at the address set forth on the books and records of the Issuer.

All such notices shall be deemed to have been given when

received in person, telecopied with receipt confirmed, or mailed by first class mail, postage prepaid except that if a notice or other document is refused delivery or cannot be delivered because of a changed address of which no notice was given, such notice or other document shall be deemed to have been delivered on the date of such refusal or inability to deliver.

Section 9.4. Benefit. This Guarantee Agreement is solely for the benefit of the Holders of the Preferred Securities and, subject to Section 3.1(a), is not separately transferable from the Preferred Securities.

Section 9.5. Governing Law. THIS GUARANTEE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

THIS GUARANTEE AGREEMENT is executed as of the day and year first above written.

KANSAS CITY POWER & LIGHT COMPANY

By: _____
Name:
Title:

THE FIRST NATIONAL BANK OF CHICAGO,
Not in its individual capacity but
solely as Guarantee Trustee

By: _____
Name:
Title:

December 17, 1996

KCPL Financing I
KCPL Financing II
KCPL Financing III
c/o Kansas City Power & Light Company
1201 Walnut
Kansas City, MO 64106-2124

Ladies and Gentlemen:

We have acted as special Delaware counsel for KCPL Financing I, KCPL Financing II and KCPL Financing III, each a Delaware business trust (collectively the "Trusts", and individually a "Trust"), in connection with the issuance by the Trusts of the Preferred Securities (defined below).

For purposes of giving this opinion, our examination of documents has been limited to the examination of originals or copies of the following (collectively referred to herein as the "Documents"):

(a) The Certificate of Trust of each of the Trusts (the "Trust Certificates"), dated December 10, 1996, as filed in the office of the Delaware Secretary of State on December 11, 1996;

(b) The Declaration of Trust of each of the Trusts, dated as of December 10, 1996, among Kansas City Power & Light Company, a Missouri corporation (the "Company") and the trustees of the respective Trust named therein;

(c) The Registration Statement (the "Registration Statement") on Form S-3, including a preliminary prospectus and a prospectus supplement (the "Prospectus"), relating to the Trust Originated Preferred Securities (the "Preferred Securities") of the Trusts, representing preferred undivided beneficial interests in the assets of the respective Trust, as filed by the Company, the Trusts and others as set forth therein, with the Securities and Exchange Commission on December 17, 1996;

(d) A form of Amended and Restated Declaration of Trust of each of the Trusts, to be entered into among the Company, the trustees of each respective Trust named therein and the holders, from time to time, of undivided beneficial interests in each respective Trust (the "Declarations"), attached as an exhibit to the Registration Statement; and

(e) A Certificate of Good Standing for each of the Trusts dated the date hereof, obtained from the Delaware Secretary of State.

Initially capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Declarations.

For purposes of this opinion, we have not reviewed any documents other than the Documents. In particular, we have not reviewed any document (other than the Documents) that is referred to in, or incorporated by reference into the Documents. We have expressly assumed that there exists no provision in any document that we have not reviewed that is inconsistent with the opinions stated herein. We have conducted no independent factual investigation of our own, but rather have relied solely upon the Documents, the statements and information set forth therein and the additional matters recited or assumed herein, all of which we have assumed to be true, complete and accurate in all material respects.

We have assumed (i) the genuineness of the signatures of, the authority of, and the legal capacity of, each natural person signing the Declarations on behalf of the respective parties, (ii) the due authorization, execution and delivery by all parties thereto of all documents examined by us, (iii) the genuineness of all signatures and the authenticity and completeness of all records, certificates, instruments and documents submitted to us as originals; and (iv) the conformity to authentic originals of all records, certificates, instruments and documents submitted to us as certified, conformed, photostatic or facsimile copies thereof.

For purposes of this opinion, we have assumed (i) that each Declaration constitutes the entire agreement among the parties thereto with respect to the subject matter thereof, including with respect to the creation, operation and termination of each respective Trust, and that the Declarations and the Trust Certificates are in full force and effect and have not been amended, (ii) the due creation or due formation, as the case may be, and valid existence in good standing of each party (other than the Trusts) to the Documents examined by us under the laws of the jurisdiction governing its creation, organization or formation, (iii) that each of the

parties to the Documents examined by us has the power and authority to execute and deliver, and to perform its obligations thereunder, (iv) the due authorization, execution and delivery by all parties thereto of all Documents examined by us, (v) the receipt by each Person to whom a Preferred Security is to be issued by each respective Trust (collectively, the "Security Holders") of a Certificate for such Preferred Security and the full payment for the Preferred Security acquired by it, in accordance with each respective Declaration and the Registration Statement; and (vi) that the Preferred Securities are issued and sold to the Security Holders in accordance with each respective Declaration and the Registration Statement.

Based upon the foregoing and subject to the exceptions, qualifications and limitations herein set forth, we are of the opinion that:

1. Each Trust has been duly created and is validly existing in good standing as a business trust under the Delaware Business Trust Act, 12 Del. C. Section 3801, et seq. (the "Business Trust Act").
2. The Preferred Securities issued by each Trust will represent valid, fully paid and non-assessable undivided beneficial interests in the assets of such Trust.
3. The Security Holders, as beneficial owners of the Trust, will be entitled to the same limitation of personal liability extended to stockholders of private corporations for profit under the General Corporation Law of the State of Delaware.

With respect to the opinions set forth in paragraphs 2 and 3 above, we note that the Security Holders of each Trust may be obligated to make payments as set forth in each respective Declaration.

We express no opinion herein as to the laws of any jurisdiction except the laws of the State of Delaware (excluding any tax laws, fraudulent conveyance laws, fraudulent transfer laws and securities laws, and rules, regulations and orders thereunder, and further excluding judicial decisions to the extent that they deal with any of the foregoing). This opinion is given as of the date hereof and is based upon present laws and reported court decisions as they exist and are construed as of the date hereof.

We consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement. In addition, we hereby consent to the use of our name under the heading "Legal Matters" in the Prospectus. In giving the foregoing consents, we do not thereby admit that we come within the category of Persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder. Except as stated above, without our prior written consent, this opinion may not be furnished or quoted to, or relied upon by, any other Person for any purpose.

Very truly yours,

/s/ Pepper, Hamilton & Scheetz

December 17, 1996

Kansas City Power & Light Company
1201 Walnut Street
Kansas City, MO 64106

Ladies and Gentlemen:

I refer to the proposed issuance and sale by you of up to \$300,000,000 of Subordinated Debentures and Preferred Securities Guarantees under the Registration Statement (Form S-3) filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

I am familiar with the proceedings to date with respect to such records, documents and matters of law and satisfied myself as to such matters of fact as I have considered relevant for purposes of this opinion.

I am of the opinion that

1. Kansas City Power & Light Company (the "Company") is a corporation duly organized and existing under the laws of the State of Missouri, and duly authorized and qualified to transact the business in which it is engaged in the States of Missouri and Kansas.
2. The Indenture and proposed form of Supplemental Indenture between the Company and First National Bank of Chicago creating the Subordinated Debentures (Exhibits 4-c and 4-d) are in due legal form.
3. The proposed form of the Subordinated Debenture (included in Exhibit 4-d) is in due legal form.
4. The proposed form of the Preferred Securities Guarantee Agreement (Exhibit 4-g) is in due legal form.

Kansas City Power & Light Company
December 17, 1996
Page 2

5. When (a) appropriate regulatory authority has been issued; (b) the Registration Statement shall have become effective; (c) the issuance of the Subordinated Debentures has been duly authorized; and (d) the Indenture and Supplemental Indenture for the Subordinated Debentures and the Preferred Securities Guarantee Agreement have been executed by the proper parties and have been duly recorded.

(i) the Subordinated Debentures and Preferred Securities Guarantees will be legally issued, fully paid, non-assessable and binding obligations of the Company, with the express terms and provisions as set forth in the appropriate indenture; and

(ii) no approvals, other than those referred to above, will be required in connection with the creation and issuance of the Subordinated Debentures and Preferred Securities Guarantees.

I hereby consent to the use of this opinion as an exhibit to the above-mentioned Registration Statement.

Sincerely,

/s/Jeanie Sell Latz

Jeanie Sell Latz
Senior Vice President and
Chief Legal Officer

December 17, 1996

Merrill Lynch & Co.
Merrill Lynch World Headquarters
North Tower
World Financial Center
New York, New York 10281

Ladies and Gentlemen:

We have acted as counsel to Merrill Lynch & Co. in connection with the proposed offering by KCPL Financing I, KCPL Financing II and KCPL Financing III, all Delaware statutory business trusts (the "Trusts"), of Trust Originated Preferred Securities (the "Preferred Securities"), as described in the Registration Statement on Form S-3 (the "Registration Statement"), which is being filed by Kansas City Power & Light Company, a Missouri corporation (the "Company"), and the Trusts with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended. The Registration Statement includes the Prospectus and the Prospectus Supplement (collectively, the "Prospectuses") relating to such offering.

In rendering the opinion expressed below, we have examined the Prospectuses and such other documents as we have deemed relevant and necessary, including, without limitation, the Form of Amended and Restated Declaration of Trust, the Indenture, the Form of Supplemental Indenture and the Form of Preferred Securities Guarantee attached as Exhibits to the Registration Statement. Such opinion is conditioned, among other things, upon the accuracy and completeness of the facts, information and representations contained in the Prospectuses as of the date hereof and the continuing accuracy and completeness thereof as of the date of the issuance of the Preferred Securities. We have assumed that the transactions contemplated by the Prospectuses and such other documents will occur as provided therein and that there will be no material change to the Prospectuses or any of such other documents between the date hereof and the date of the issuance of the Preferred Securities.

Based upon and subject to the foregoing, we are of the opinion that the discussion set forth in the Prospectus Supplement under the caption "UNITED STATES FEDERAL INCOME TAXATION" is a fair and accurate summary of the matters addressed therein, based upon current law and the assumptions stated or referred to therein.

We assume no obligation to update or supplement this letter to reflect any facts or circumstances which may hereafter come to our attention with respect to the opinion expressed above, including any changes in applicable law which may hereafter occur.

We hereby consent to the filing of this letter as an Exhibit to the Registration Statement and to all references to our Firm included in or made a part of the Registration Statement.

Very truly yours,

/s/ Sidley & Austin

KANSAS CITY POWER & LIGHT COMPANY

COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND EARNINGS
TO COMBINED FIXED CHARGES AND PREFERRED DIVIDEND REQUIREMENTS

	Twelve Months Ended September 30, 1996	Year ended December 31				
		1995	1994	1993	1992	1991
(Thousands)						
Net income	\$111,753	\$122,586	\$104,775	\$105,772	\$86,334	\$103,893
Add:						
Taxes on income	47,370	66,803	66,377	67,953	52,196	60,278
Kansas City earnings tax	739	958	524	495	382	242
Total taxes on income	48,109	67,761	66,901	68,448	52,578	60,520
Interest on value of leased property	8,007	8,269	6,732	7,273	6,366	5,075
Interest on long-term debt	53,372	52,184	43,962	50,118	54,266	63,057
Interest on short-term debt	1,272	1,189	1,170	750	2,749	3,299
Other interest expense and amortization	4,731	3,112	4,128	4,113	2,173	2,665
Total fixed charges	67,382	64,754	55,992	62,254	65,554	74,096
Earnings before taxes on income and fixed charges	\$ 227,244	\$255,101	\$227,668	\$236,474	\$204,466	\$238,509
Ratio of earnings to fixed charges	3.37	3.94	4.07	3.80	3.12	3.22
Preferred dividends	\$ 3,812	\$ 4,011	\$ 3,457	\$ 3,153	\$ 3,062	\$ 6,023
Income taxes required	1,641	2,217	2,207	2,045	1,865	3,508
Earnings before income taxes required for preferred dividends	5,453	6,228	5,664	5,198	4,927	9,531
Fixed charges	67,382	64,754	55,992	62,254	65,554	74,096
Total combined fixed charges and preferred dividend requirements	\$72,835	\$70,982	\$61,656	\$67,452	\$70,481	\$83,627
Ratio of earnings to combined fixed charges and preferred dividend requirements	3.12	3.59	3.69	3.51	2.90	2.85

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this registration statement on Form S-3 of our report dated January 31, 1996, included in the Annual Report on Form 10-K for the fiscal year ended December 31, 1995, on our audits of the consolidated financial statements of Kansas City Power & Light Company and Subsidiary. We also consent to the reference to our firm under the caption "Experts."

/s/Coopers & Lybrand L.L.P.
COOPERS & LYBRAND L.L.P.

Kansas City, Missouri
December 17, 1996

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/David L. Bodde
David L. Bodde

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, before me the undersigned, a Notary Public, personally appeared David L. Bodde, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/William H. Clark
William H. Clark

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/Robert J. Dineen
Robert J. Dineen

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/Arthur J. Doyle
Arthur J. Doyle

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/W. Thomas Grant II
W. Thomas Grant II

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/George E. Nettels, Jr.
George E. Nettels, Jr.

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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, her 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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/Linda H. Talbott
Linda H. Talbott

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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 she executed the same as her 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

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 a Registration Statement on Form S-3 and all amendments thereto; 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 5th day of November, 1996.

/s/Robert H. West
Robert H. West

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 5th day of November, 1996, 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/Jacquetta L. Hartman
Notary Public
Ray County, Missouri

My Commission Expires:

April 8, 2000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)

A National Banking Association	36-0899825 (I.R.S. employer identification number)
--------------------------------	---

One First National Plaza, Chicago, Illinois (Address of principal executive offices)	60670-0126 (Zip Code)
---	--------------------------

The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)

Kansas City Power & Light Company
(Exact name of obligor as specified in its charter)

Missouri (State or other jurisdiction of incorporation or organization)	44-0308720 (I.R.S. employer identification number)
---	--

1201 Walnut Kansas City, Missouri (Address of principal executive offices)	64106-2124 (Zip Code)
--	--------------------------

Debt Securities
(Title of Indenture Securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations With the Obligor. If the obligor is an affiliate of the trustee, describe each such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the articles of association of the trustee now in effect.*
2. A copy of the certificates of authority of the trustee to commence business.*
3. A copy of the authorization of the trustee to exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by Section 321(b) of the Act.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
8. Not Applicable.
9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between Kansas City Power & Light Company. and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-1
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Consolidated Report of Condition for Insured Commercial
and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars.
Unless otherwise indicated, report the amount
outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

			C400	<-
Dollar Amounts in				
Thousands	RCFD	BIL	MIL	THOU
_____	_____	_____	_____	_____

ASSETS

1. Cash and balances due from depository institutions (from Schedule RC-A):				
a. Noninterest-bearing balances and currency and coin(1).....	0081	4,041,784		1.a.
b. Interest-bearing balances(2).....	0071	5,184,890		1.b.
2. Securities				
a. Held-to-maturity securities(from Schedule RC-B, column A).....	1754	0		2.a.
b. Available-for-sale securities (from Schedule RC-B, column D).....	1773	3,173,481		2.b.
3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal Funds sold.....	0276	3,505,874		3.a.
b. Securities purchased under agreements to resell.....	0277	145,625		3.b.
4. Loans and lease financing receivables:				
a. Loans and leases, net of unearned income (from Schedule RC-C).....			RCFD 2122 22,835,958	4.a.
b. LESS: Allowance for loan and lease losses.....			RCFD 3123 418,851	4.b.
c. LESS: Allocated transfer risk reserve.....			RCFD 3128 0	4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....		2125 22,417,107		4.d.
5. Assets held in trading accounts.....		3545 8,121,948		5.
6. Premises and fixed assets (including capitalized leases).....		2145 707,971		6.
7. Other real estate owned (from Schedule RC-M).....		2150 9,184		7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....		2130 53,803		8.
9. Customers' liability to this bank on acceptances outstanding.....		2155 626,690		9.
10. Intangible assets (from Schedule RC-M).....		2143 310,246		10.
11. Other assets (from Schedule RC-F).....		2160 1,658,123		11.
12. Total assets (sum of items 1 through 11).....		2170 49,956,726		12.

- (1) Includes cash items in process of collection and unposted debits.
- (2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
 Address: One First National Plaza, Ste 0460 Page RC-2
 City, State Zip: Chicago, IL 60670
 FDIC Certificate No.: 0/3/6/1/8

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES				
13. Deposits:				
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....				
(1) Noninterest-bearing(1).....	RCON 6631	9,726,987	RCON 2200	22,369,341
(2) Interest-bearing.....	RCON 6636	12,642,354		
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....			RCFN 2200	10,026,286
(1) Noninterest bearing.....	RCFN 6631	336,746		
(2) Interest-bearing.....	RCFN 6636	9,689,540		
14. Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal funds purchased.....	RCFD 0278		884,553	14.a.
b. Securities sold under agreements to repurchase.....	RCFD 0279		717,211	14.b.
15. a. Demand notes issued to the U.S. Treasury.....	RCON 2840		14,120	15.a.
b. Trading Liabilities.....	RCFD 3548		5,409,585	15b.
16. Other borrowed money:				
a. With original maturity of one year or less.....	RCFD 2332		3,414,577	16.a.
b. With original maturity of more than one year.....	RCFD 2333		46,685	16b.
17. Mortgage indebtedness and obligations under capitalized leases.....	RCFD 2910		285,671	17.
18. Bank's liability on acceptance executed and outstanding.....	RCFD 2920		626,690	18.
19. Subordinated notes and debentures.....	RCFD 3200		1,250,000	19.
20. Other liabilities (from Schedule RC-G).....	RCFD 2930		1,005,205	20.
21. Total liabilities (sum of items 13 through 20).....	RCFD 2948		46,049,924	21.
22. Limited-life preferred stock and related surplus.....	RCFD 3282		0	22.
EQUITY CAPITAL				
23. Perpetual preferred stock and related surplus.....	RCFD 3838		0	23.
24. Common stock.....	RCFD 3230		200,858	24.
25. Surplus (exclude all surplus related to preferred stock)....	RCFD 3839		2,925,894	25.
26. a. Undivided profits and capital reserves.....	RCFD 3632		770,670	26.a.
b. Net unrealized holding gains (losses) on available-for-sale securities.....	RCFD 8434		10,194	26.b.
27. Cumulative foreign currency translation adjustments.....	RCFD 3284		(814)	27.
28. Total equity capital (sum of items 23 through 27).....	RCFD 3210		3,906,802	28.
29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....	RCFD 3300		49,956,726	29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most

comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1995.....		Number
	RCFD 6724.....	N/A M.1.
1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank	4. = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)	
2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)	5 = Review of the bank's financial statements by external auditors	
3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)	6 = Compilation of the bank's financial statements by external auditors	
	7 = Other audit procedures (excluding tax preparation work)	
	8 = No external audit work	

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)

A National Banking Association 36-0899825
(I.R.S. employer
identification
number)

One First National Plaza, Chicago, Illinois 60670-0126
(Address of principal executive offices) (Zip Code)

The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)

KCPL Financing I
(Exact name of obligor as specified in its charter)

Delaware (To be applied for)
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification number)

1201 Walnut 64106-2124
Kansas City, Missouri (Zip Code)
(Address of principal executive offices)

Preferred Trust Securities
(Title of Indenture Securities)

Item 1. General Information. Furnish the following
information as to the trustee:

(a) Name and address of each examining or
supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.

(b) Whether it is authorized to exercise
corporate trust powers.

The trustee is authorized to exercise corporate
trust powers.

Item 2. Affiliations with the Obligor. If the obligor
is an affiliate of the trustee, describe each
such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a
part of this Statement of Eligibility.

1. A copy of the articles of association of the
trustee now in effect.*
2. A copy of the certificates of authority of the
trustee to commence business.*
3. A copy of the authorization of the trustee to
exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by
Section 321(b) of the Act.
7. A copy of the latest report of condition of the

trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not Applicable.

9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between KCPL Financing I and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-1
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

Dollar Amounts in C400 <-
Thousands RCFD BIL MIL THOU

ASSETS				
1.	Cash and balances due from depository institutions (from Schedule RC-A):			
	a. Noninterest-bearing balances and currency and coin(1).....	0081	4,041,784	1.a.
	b. Interest-bearing balances(2).....	0071	5,184,890	1.b.
2.	Securities			
	a. Held-to-maturity securities(from Schedule RC-B, column A).....	1754	0	2.a.
	b. Available-for-sale securities (from Schedule RC-B, column D).....	1773	3,173,481	2.b.
3.	Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:			
	a. Federal Funds sold.....	0276	3,505,874	3.a.
	b. Securities purchased under agreements to resell.....	0277	145,625	3.b.
4.	Loans and lease financing receivables:			
	a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122	22,835,958	4.a.
	b. LESS: Allowance for loan and lease losses.....	RCFD 3123	418,851	4.b.
	c. LESS: Allocated transfer risk reserve.....	RCFD 3128	0	4.c.
	d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....	2125	22,417,107	4.d.
5.	Assets held in trading accounts.....	3545	8,121,948	5.
6.	Premises and fixed assets (including capitalized leases).....	2145	707,971	6.
7.	Other real estate owned (from Schedule RC-M).....	2150	9,184	7.
8.	Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....	2130	53,803	8.
9.	Customers' liability to this bank on acceptances outstanding.....	2155	626,690	9.
10.	Intangible assets (from Schedule RC-M).....	2143	310,246	10.
11.	Other assets (from Schedule RC-F).....	2160	1,658,123	11.
12.	Total assets (sum of items 1 through 11).....	2170	49,956,726	12.

- (1) Includes cash items in process of collection and unposted debits.
- (2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-2
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES				
13.	Deposits:			
	a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....		RCON 2200 22,369,341	13.a.
	(1) Noninterest-bearing(1).....	RCON 6631	9,726,987	13.a.(1)
	(2) Interest-bearing.....	RCON 6636	12,642,354	13.a.(2)
	b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....		RCFN 2200 10,026,286	13.b.
	(1) Noninterest bearing.....	RCFN 6631	336,746	13.b.(1)
	(2) Interest-bearing.....	RCFN 6636	9,689,540	13.b.(2)
14.	Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:			
	a. Federal funds purchased.....	RCFD 0278	884,553	14.a.
	b. Securities sold under agreements to repurchase.....	RCFD 0279	717,211	14.b.
15.	a. Demand notes issued to the U.S. Treasury.....	RCON 2840	14,120	15.a.
	b. Trading Liabilities.....	RCFD 3548	5,409,585	15b.
16.	Other borrowed money:			
	a. With original maturity of one year or less.....	RCFD 2332	3,414,577	16.a.
	b. With original maturity of more than one year.....	RCFD 2333	46,685	16b.
17.	Mortgage indebtedness and obligations under capitalized leases.....	RCFD 2910	285,671	17.
18.	Bank's liability on acceptance executed and outstanding...	RCFD 2920	626,690	18.
19.	Subordinated notes and debentures.....	RCFD 3200	1,250,000	19.
20.	Other liabilities (from Schedule RC-G).....	RCFD 2930	1,005,205	20.
21.	Total liabilities (sum of items 13 through 20).....	RCFD 2948	46,049,924	21.
22.	Limited-Life preferred stock and related surplus.....	RCFD 3282	0	22.
EQUITY CAPITAL				
23.	Perpetual preferred stock and related surplus.....	RCFD 3838	0	23.
24.	Common stock.....	RCFD 3230	200,858	24.
25.	Surplus (exclude all surplus related to preferred stock)..	RCFD 3839	2,925,894	25.
26.	a. Undivided profits and capital reserves.....	RCFD 3632	770,670	26.a.
	b. Net unrealized holding gains (losses) on available-for-sale securities.....	RCFD 8434	10,194	26.b.
27.	Cumulative foreign currency translation adjustments.....	RCFD 3284	(814)	27.
28.	Total equity capital (sum of items 23 through 27).....	RCFD 3210	3,906,802	28.
29.	Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....	RCFD 3300	49,956,726	29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external

Number

Item 16. List of exhibits. List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the articles of association of the trustee now in effect.*
2. A copy of the certificates of authority of the trustee to commence business.*
3. A copy of the authorization of the trustee to exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by Section 321(b) of the Act.
7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
8. Not Applicable.
9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

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Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

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BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

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Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Consolidated Report of Condition for Insured Commercial
 and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars.
 Unless otherwise indicated, report the amount
 outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

	Dollar Amounts in Thousands	RCFD	C400 BIL MIL THOU	<- ---
ASSETS				
1. Cash and balances due from depository institutions (from Schedule RC-A):				
a. Noninterest-bearing balances and currency and coin(1).....		0081	4,041,784	1.a.
b. Interest-bearing balances(2).....		0071	5,184,890	1.b.
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a. Held-to-maturity securities(from Schedule RC-B, column A).....		1754	0	2.a.
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3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal Funds sold.....		0276	3,505,874	3.a.
b. Securities purchased under agreements to resell.....		0277	145,625	3.b.
4. Loans and lease financing receivables:				
a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122	22,835,958		4.a.
b. LESS: Allowance for loan and lease losses.....	RCFD 3123	418,851		4.b.
c. LESS: Allocated transfer risk reserve.....	RCFD 3128	0		4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....		2125	22,417,107	4.d.
5. Assets held in trading accounts.....		3545	8,121,948	5.
6. Premises and fixed assets (including capitalized leases).....		2145	707,971	6.
7. Other real estate owned (from Schedule RC-M).....		2150	9,184	7.
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12. Total assets (sum of items 1 through 11).....		2170	49,956,726	12.

(1) Includes cash items in process of collection and unposted debits.
 (2) Includes time certificates of deposit not held for trading.

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES				
13. Deposits:				
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....		RCFN 2200	22,369,341	13. a.
(1) Noninterest-bearing(1).....	RCFN 6631 9,726,987			13. a.(1)
(2) Interest-bearing.....	RCFN 6636 12,642,354			13. a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....		RCFN 2200	10,026,286	13. b.
(1) Noninterest bearing.....	RCFN 6631 336,746			13. b.(1)
(2) Interest-bearing.....	RCFN 6636 9,689,540			13. b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal funds purchased.....		RCFD 0278	884,553	14. a.
b. Securities sold under agreements to repurchase.....		RCFD 0279	717,211	14. b.
15. a. Demand notes issued to the U.S. Treasury.....				
		RCFN 2840	14,120	15. a.
b. Trading Liabilities.....				
		RCFD 3548	5,409,585	15b.
16. Other borrowed money:				
a. With original maturity of one year or less.....		RCFD 2332	3,414,577	16. a.
b. With original maturity of more than one year.....		RCFD 2333	46,685	16b.
17. Mortgage indebtedness and obligations under capitalized leases.....				
		RCFD 2910	285,671	17.
18. Bank's liability on acceptance executed and outstanding....				
		RCFD 2920	626,690	18.
19. Subordinated notes and debentures.....				
		RCFD 3200	1,250,000	19.
20. Other liabilities (from Schedule RC-G).....				
		RCFD 2930	1,005,205	20.
21. Total liabilities (sum of items 13 through 20).....				
		RCFD 2948	46,049,924	21.
22. Limited-Life preferred stock and related surplus.....				
		RCFD 3282	0	22.
EQUITY CAPITAL				
23. Perpetual preferred stock and related surplus.....				
		RCFD 3838	0	23.
24. Common stock.....				
		RCFD 3230	200,858	24.
25. Surplus (exclude all surplus related to preferred stock)...				
		RCFD 3839	2,925,894	25.
26. a. Undivided profits and capital reserves.....				
		RCFD 3632	770,670	26. a.
b. Net unrealized holding gains (losses) on available-for-sale securities.....				
		RCFD 8434	10,194	26. b.
27. Cumulative foreign currency translation adjustments.....				
		RCFD 3284	(814)	27.
28. Total equity capital (sum of items 23 through 27).....				
		RCFD 3210	3,906,802	28.
29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....				
		RCFD 3300	49,956,726	29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1995..... RCFD 6724..... Number N/A M.1.
- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
 4 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
 5 = Review of the bank's financial statements by external auditors
 6 = Compilation of the bank's financial statements by external auditors
 7 = Other audit procedures (excluding tax preparation work)
 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEECHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)A National Banking Association 36-0899825
(I.R.S. employer
identification
number)One First National Plaza, Chicago, Illinois 60670-0126
(Address of principal executive offices) (Zip Code)The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)KCPL Financing II
(Exact name of obligor as specified in its charter)Delaware (To be applied for)
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification number)1201 Walnut 64106-2124
Kansas City, Missouri (Zip Code)
(Address of principal executive offices)Preferred Trust Securities
(Title of Indenture Securities)Item 1. General Information. Furnish the following
information as to the trustee:(a) Name and address of each examining or
supervising authority to which it is subject.Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.(b) Whether it is authorized to exercise
corporate trust powers.The trustee is authorized to exercise corporate
trust powers.Item 2. Affiliations with the Obligor. If the obligor
is an affiliate of the trustee, describe each
such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a
part of this Statement of Eligibility.

1. A copy of the articles of association of the
trustee now in effect.*
2. A copy of the certificates of authority of the
trustee to commence business.*
3. A copy of the authorization of the trustee to
exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by
Section 321(b) of the Act.
7. A copy of the latest report of condition of the

trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not Applicable.

9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between KCPL Financing II and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-1
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

Dollar Amounts in Thousands RCFD BIL MIL THOU C400 <-

ASSETS

1. Cash and balances due from depository institutions (from Schedule RC-A):				
a. Noninterest-bearing balances and currency and coin(1).....	0081	4,041,784		1.a.
b. Interest-bearing balances(2).....	0071	5,184,890		1.b.
2. Securities				
a. Held-to-maturity securities(from Schedule RC-B, column A).....	1754	0		2.a.
b. Available-for-sale securities (from Schedule RC-B, column D).....	1773	3,173,481		2.b.
3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal Funds sold.....	0276	3,505,874		3.a.
b. Securities purchased under agreements to resell.....	0277	145,625		3.b.
4. Loans and lease financing receivables:				
a. Loans and leases, net of unearned income (from Schedule RC-C).....			RCFD 2122 22,835,958	4.a.
b. LESS: Allowance for loan and lease losses.....			RCFD 3123 418,851	4.b.
c. LESS: Allocated transfer risk reserve.....			RCFD 3128 0	4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....		22,417,107		4.d.
5. Assets held in trading accounts.....	3545	8,121,948		5.
6. Premises and fixed assets (including capitalized leases).....	2145	707,971		6.
7. Other real estate owned (from Schedule RC-M).....	2150	9,184		7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....	2130	53,803		8.
9. Customers' liability to this bank on acceptances outstanding.....	2155	626,690		9.
10. Intangible assets (from Schedule RC-M).....	2143	310,246		10.
11. Other assets (from Schedule RC-F).....	2160	1,658,123		11.
12. Total assets (sum of items 1 through 11).....	2170	49,956,726		12.

(1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-2
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou		
LIABILITIES					
13. Deposits:					
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....			RCON 2200	22,369,341	13.a.
(1) Noninterest-bearing(1).....	RCON 6631	9,726,987			13.a.(1)
(2) Interest-bearing.....	RCON 6636	12,642,354			13.a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....			RCFN 2200	10,026,286	13.b.
(1) Noninterest bearing.....	RCFN 6631	336,746			13.b.(1)
(2) Interest-bearing.....	RCFN 6636	9,689,540			13.b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:					
a. Federal funds purchased.....	RCFD 0278	884,553			14.a.
b. Securities sold under agreements to repurchase.....	RCFD 0279	717,211			14.b.
15. a. Demand notes issued to the U.S. Treasury.....	RCON 2840	14,120			15.a.
b. Trading Liabilities.....	RCFD 3548	5,409,585			15b.
16. Other borrowed money:					
a. With original maturity of one year or less.....	RCFD 2332	3,414,577			16.a.
b. With original maturity of more than one year.....	RCFD 2333	46,685			16b.
17. Mortgage indebtedness and obligations under capitalized leases.....	RCFD 2910	285,671			17.
18. Bank's liability on acceptance executed and outstanding....	RCFD 2920	626,690			18.
19. Subordinated notes and debentures.....	RCFD 3200	1,250,000			19.
20. Other liabilities (from Schedule RC-G).....	RCFD 2930	1,005,205			20.
21. Total liabilities (sum of items 13 through 20).....	RCFD 2948	46,049,924			21.
22. Limited-Life preferred stock and related surplus.....	RCFD 3282	0			22.
EQUITY CAPITAL					
23. Perpetual preferred stock and related surplus.....	RCFD 3838	0			23.
24. Common stock.....	RCFD 3230	200,858			24.
25. Surplus (exclude all surplus related to preferred stock)...	RCFD 3839	2,925,894			25.
26. a. Undivided profits and capital reserves.....	RCFD 3632	770,670			26.a.
b. Net unrealized holding gains (losses) on available-for-sale securities.....	RCFD 8434	10,194			26.b.
27. Cumulative foreign currency translation adjustments.....	RCFD 3284	(814)			27.
28. Total equity capital (sum of items 23 through 27).....	RCFD 3210	3,906,802			28.
29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....	RCFD 3300	49,956,726			29.

Memorandum

To be reported only with the March Report of Condition.
1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1995..... RCFD 6724..... Number N/A M.1.

- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
- 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
- 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)

4. = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
- 5 = Review of the bank's financial statements by external auditors
- 6 = Compilation of the bank's financial statements by external auditors
- 7 = Other audit procedures (excluding tax preparation work)
- 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)

A National Banking Association 36-0899825
(I.R.S. employer
identification
number)

One First National Plaza, Chicago, Illinois 60670-0126
(Address of principal executive offices) (Zip Code)

The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)

Kansas City Power & Light Company
(Exact name of obligor as specified in its charter)

Missouri 44-0308720
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification number)

1201 Walnut 64106-2124
Kansas City, Missouri (Address of principal executive offices) (Zip Code)

Preferred Securities Guarantee
for
KCPL Financing II
(Title of Indenture Securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations With the Obligor. If the obligor is an affiliate of the trustee, describe each such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a

part of this Statement of Eligibility.

1. A copy of the articles of association of the trustee now in effect.*
2. A copy of the certificates of authority of the trustee to commence business.*
3. A copy of the authorization of the trustee to exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by Section 321(b) of the Act.
7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
8. Not Applicable.
9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between Kansas City Power & Light Company. and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Consolidated Report of Condition for Insured Commercial
 and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars.
 Unless otherwise indicated, report the amount
 outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

	Dollar Amounts in		C400	<-
	Thousands	RCFD	BIL MIL THOU	
ASSETS				
1. Cash and balances due from depository institutions (from Schedule RC-A):				
a. Noninterest-bearing balances and currency and coin(1).....		0081	4,041,784	1.a.
b. Interest-bearing balances(2).....		0071	5,184,890	1.b.
2. Securities				
a. Held-to-maturity securities(from Schedule RC-B, column A).....		1754	0	2.a.
b. Available-for-sale securities (from Schedule RC-B, column D).....		1773	3,173,481	2.b.
3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal Funds sold.....		0276	3,505,874	3.a.
b. Securities purchased under agreements to resell.....		0277	145,625	3.b.
4. Loans and lease financing receivables:				
a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122	22,835,958		4.a.
b. LESS: Allowance for loan and lease losses.....	RCFD 3123	418,851		4.b.
c. LESS: Allocated transfer risk reserve.....	RCFD 3128	0		4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....		2125	22,417,107	4.d.
5. Assets held in trading accounts.....		3545	8,121,948	5.
6. Premises and fixed assets (including capitalized leases).....		2145	707,971	6.
7. Other real estate owned (from Schedule RC-M).....		2150	9,184	7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....		2130	53,803	8.
9. Customers' liability to this bank on acceptances outstanding.....		2155	626,690	9.
10. Intangible assets (from Schedule RC-M).....		2143	310,246	10.
11. Other assets (from Schedule RC-F).....		2160	1,658,123	11.
12. Total assets (sum of items 1 through 11).....		2170	49,956,726	12.

(1) Includes cash items in process of collection and unposted debits.
 (2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: The First National Bank of Chicago
 Address: One First National Plaza, Ste 0460
 City, State Zip: Chicago, IL 60670
 FDIC Certificate No.: 0/3/6/1/8

Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
 Page RC-2

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES				
13. Deposits:				
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....		RCON 2200	22,369,341	13. a.
(1) Noninterest-bearing(1).....	RCON 6631 9,726,987			13. a.(1)
(2) Interest-bearing.....	RCON 6636 12,642,354			13. a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....		RCFN 2200	10,026,286	13. b.
(1) Noninterest bearing.....	RCFN 6631 336,746			13. b.(1)
(2) Interest-bearing.....	RCFN 6636 9,689,540			13. b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:				
a. Federal funds purchased.....		RCFD 0278	884,553	14. a.
b. Securities sold under agreements to repurchase.....		RCFD 0279	717,211	14. b.
15. a. Demand notes issued to the U.S. Treasury.....				
		RCON 2840	14,120	15. a.
b. Trading Liabilities.....				
		RCFD 3548	5,409,585	15b.
16. Other borrowed money:				
a. With original maturity of one year or less.....		RCFD 2332	3,414,577	16. a.
b. With original maturity of more than one year.....		RCFD 2333	46,685	16b.
17. Mortgage indebtedness and obligations under capitalized leases.....				
		RCFD 2910	285,671	17.
18. Bank's liability on acceptance executed and outstanding....				
		RCFD 2920	626,690	18.
19. Subordinated notes and debentures.....				
		RCFD 3200	1,250,000	19.
20. Other liabilities (from Schedule RC-G).....				
		RCFD 2930	1,005,205	20.
21. Total liabilities (sum of items 13 through 20).....				
		RCFD 2948	46,049,924	21.
22. Limited-Life preferred stock and related surplus.....				
		RCFD 3282	0	22.
EQUITY CAPITAL				
23. Perpetual preferred stock and related surplus.....				
		RCFD 3838	0	23.
24. Common stock.....				
		RCFD 3230	200,858	24.
25. Surplus (exclude all surplus related to preferred stock)...				
		RCFD 3839	2,925,894	25.
26. a. Undivided profits and capital reserves.....				
		RCFD 3632	770,670	26. a.
b. Net unrealized holding gains (losses) on available-for-sale securities.....				
		RCFD 8434	10,194	26. b.
27. Cumulative foreign currency translation adjustments.....				
		RCFD 3284	(814)	27.
28. Total equity capital (sum of items 23 through 27).....				
		RCFD 3210	3,906,802	28.
29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....				
		RCFD 3300	49,956,726	29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1995..... RCFD 6724..... Number N/A M.1.
- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
- 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
- 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
- 4 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
- 5 = Review of the bank's financial statements by external auditors
- 6 = Compilation of the bank's financial statements by external auditors
- 7 = Other audit procedures (excluding tax preparation work)
- 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)

THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)

A National Banking Association 36-0899825
(I.R.S. employer
identification
number)

One First National Plaza, Chicago, Illinois 60670-0126
(Address of principal executive offices) (Zip Code)

The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)

KCPL Financing III
(Exact name of obligor as specified in its charter)

Delaware (To be applied for)
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification number)

1201 Walnut 64106-2124
Kansas City, Missouri (Zip Code)
(Address of principal executive offices)

Preferred Trust Securities
(Title of Indenture Securities)

Item 1. General Information. Furnish the following
information as to the trustee:

(a) Name and address of each examining or
supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.

(b) Whether it is authorized to exercise
corporate trust powers.

The trustee is authorized to exercise corporate
trust powers.

Item 2. Affiliations with the Obligor. If the obligor
is an affiliate of the trustee, describe each
such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a
part of this Statement of Eligibility.

1. A copy of the articles of association of the
trustee now in effect.*
2. A copy of the certificates of authority of the
trustee to commence business.*
3. A copy of the authorization of the trustee to
exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by
Section 321(b) of the Act.
7. A copy of the latest report of condition of the

trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not Applicable.

9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between KCPL Financing III and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-1
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

Dollar Amounts in C400 <-
Thousands RCFD BIL MIL THOU

ASSETS				
1.	Cash and balances due from depository institutions (from Schedule RC-A):			
	a. Noninterest-bearing balances and currency and coin(1).....	0081	4,041,784	1.a.
	b. Interest-bearing balances(2).....	0071	5,184,890	1.b.
2.	Securities			
	a. Held-to-maturity securities(from Schedule RC-B, column A).....	1754	0	2.a.
	b. Available-for-sale securities (from Schedule RC-B, column D).....	1773	3,173,481	2.b.
3.	Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:			
	a. Federal Funds sold.....	0276	3,505,874	3.a.
	b. Securities purchased under agreements to resell.....	0277	145,625	3.b.
4.	Loans and lease financing receivables:			
	a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122	22,835,958	4.a.
	b. LESS: Allowance for loan and lease losses.....	RCFD 3123	418,851	4.b.
	c. LESS: Allocated transfer risk reserve.....	RCFD 3128	0	4.c.
	d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....	2125	22,417,107	4.d.
5.	Assets held in trading accounts.....	3545	8,121,948	5.
6.	Premises and fixed assets (including capitalized leases).....	2145	707,971	6.
7.	Other real estate owned (from Schedule RC-M).....	2150	9,184	7.
8.	Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....	2130	53,803	8.
9.	Customers' liability to this bank on acceptances outstanding.....	2155	626,690	9.
10.	Intangible assets (from Schedule RC-M).....	2143	310,246	10.
11.	Other assets (from Schedule RC-F).....	2160	1,658,123	11.
12.	Total assets (sum of items 1 through 11).....	2170	49,956,726	12.

(1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: The First National Bank of Chicago Call Date: 09/30/96 ST-BK: 17-1630 FFIEC 031
Address: One First National Plaza, Ste 0460 Page RC-2
City, State Zip: Chicago, IL 60670
FDIC Certificate No.: 0/3/6/1/8

Schedule RC-Continued

		Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES					
13.	Deposits:				
	a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part 1).....		RCON 2200	22,369,341	13.a.
	(1) Noninterest-bearing(1).....	RCON 6631	9,726,987		13.a.(1)
	(2) Interest-bearing.....	RCON 6636	12,642,354		13.a.(2)
	b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....		RCFN 2200	10,026,286	13.b.
	(1) Noninterest bearing.....	RCFN 6631	336,746		13.b.(1)
	(2) Interest-bearing.....	RCFN 6636	9,689,540		13.b.(2)
14.	Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:				
	a. Federal funds purchased.....	RCFD 0278	884,553		14.a.
	b. Securities sold under agreements to repurchase.....	RCFD 0279	717,211		14.b.
15.	a. Demand notes issued to the U.S. Treasury.....	RCON 2840	14,120		15.a.
	b. Trading Liabilities.....	RCFD 3548	5,409,585		15b.
16.	Other borrowed money:				
	a. With original maturity of one year or less.....	RCFD 2332	3,414,577		16.a.
	b. With original maturity of more than one year.....	RCFD 2333	46,685		16b.
17.	Mortgage indebtedness and obligations under capitalized leases.....	RCFD 2910	285,671		17.
18.	Bank's liability on acceptance executed and outstanding....	RCFD 2920	626,690		18.
19.	Subordinated notes and debentures.....	RCFD 3200	1,250,000		19.
20.	Other liabilities (from Schedule RC-G).....	RCFD 2930	1,005,205		20.
21.	Total liabilities (sum of items 13 through 20).....	RCFD 2948	46,049,924		21.
22.	Limited-Life preferred stock and related surplus.....	RCFD 3282	0		22.
EQUITY CAPITAL					
23.	Perpetual preferred stock and related surplus.....	RCFD 3838	0		23.
24.	Common stock.....	RCFD 3230	200,858		24.
25.	Surplus (exclude all surplus related to preferred stock)...	RCFD 3839	2,925,894		25.
26.	a. Undivided profits and capital reserves.....	RCFD 3632	770,670		26.a.
	b. Net unrealized holding gains (losses) on available-for-sale securities.....	RCFD 8434	10,194		26.b.
27.	Cumulative foreign currency translation adjustments.....	RCFD 3284	(814)		27.
28.	Total equity capital (sum of items 23 through 27).....	RCFD 3210	3,906,802		28.
29.	Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....	RCFD 3300	49,956,726		29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external

Number

- | | | | |
|--|----------------|-----|------|
| auditors as of any date during 1995..... | RCFD 6724..... | N/A | M.1. |
|--|----------------|-----|------|
- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
 - 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
 - 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
 - 4. = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
 - 5 = Review of the bank's financial statements by external auditors
 - 6 = Compilation of the bank's financial statements by external auditors
 - 7 = Other audit procedures (excluding tax preparation work)
 - 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) ___

THE FIRST NATIONAL BANK OF CHICAGO
(Exact name of trustee as specified in its charter)

A National Banking Association	36-0899825 (I.R.S. employer identification number)
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One First National Plaza, Chicago, Illinois (Address of principal executive offices)	60670-0126 (Zip Code)
---	--------------------------

The First National Bank of Chicago
One First National Plaza, Suite 0286
Chicago, Illinois 60670-0286
Attn: Lynn A. Goldstein, Law Department (312) 732-6919
(Name, address and telephone number of agent for service)

Kansas City Power & Light Company
(Exact name of obligor as specified in its charter)

Missouri (State or other jurisdiction of incorporation or organization)	44-0308720 (I.R.S. employer identification number)
---	--

1201 Walnut Kansas City, Missouri (Address of principal executive offices)	64106-2124 (Zip Code)
--	--------------------------

Preferred Securities Guarantee
for
KCPL Financing III
(Title of Indenture Securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.,
Federal Deposit Insurance Corporation,
Washington, D.C., The Board of Governors of
the Federal Reserve System, Washington D.C.

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations With the Obligor. If the obligor is an affiliate of the trustee, describe each such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the articles of association of the trustee now in effect.*
2. A copy of the certificates of authority of the trustee to commence business.*
3. A copy of the authorization of the trustee to exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by Section 321(b) of the Act.
7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.
8. Not Applicable.
9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and the State of Illinois, on this 12th day of December, 1996.

The First National Bank of Chicago,
Trustee

By /s/ John R. Prendiville
John R. Prendiville
Vice President

* Exhibit 1, 2, 3 and 4 are herein incorporated by reference to Exhibits bearing identical numbers in Item 16 of the Form T-1 of The First National Bank of Chicago, filed as Exhibit 25.1 to the Registration Statement on Form S-3 of SunAmerica, Inc., filed with the Securities and Exchange Commission on October 25, 1996 (Registration No. 333-14201).

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

December 12, 1996

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

In connection with the qualification of an indenture between Kansas City Power & Light Company, and The First National Bank of Chicago, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

The First National Bank of Chicago

By /s/ John R. Prendiville
John R. Prendiville
Vice President

EXHIBIT 7

Consolidated Report of Condition for Insured Commercial
 and State-Chartered Savings Banks for September 30, 1996

All schedules are to be reported in thousands of dollars.
 Unless otherwise indicated, report the amount
 outstanding of the last business day of the quarter.

Schedule RC--Balance Sheet

	Dollar Amounts in Thousands	RCFD	C400			<-
			BIL	MIL	THOU	
ASSETS						
1. Cash and balances due from depository institutions (from Schedule RC-A):						
a. Noninterest-bearing balances and currency and coin(1).....		0081	4,041,784			1.a.
b. Interest-bearing balances(2).....		0071	5,184,890			1.b.
2. Securities						
a. Held-to-maturity securities(from Schedule RC-B, column A).....		1754		0		2.a.
b. Available-for-sale securities (from Schedule RC-B, column D).....		1773	3,173,481			2.b.
3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge and Agreement subsidiaries, and in IBFs:						
a. Federal Funds sold.....		0276	3,505,874			3.a.
b. Securities purchased under agreements to resell.....		0277	145,625			3.b.
4. Loans and lease financing receivables:						
a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122		22,835,958			4.a.
b. LESS: Allowance for loan and lease losses.....	RCFD 3123		418,851			4.b.
c. LESS: Allocated transfer risk reserve.....	RCFD 3128		0			4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....		2125	22,417,107			4.d.
5. Assets held in trading accounts.....		3545	8,121,948			5.
6. Premises and fixed assets (including capitalized leases).....		2145	707,971			6.
7. Other real estate owned (from Schedule RC-M).....		2150	9,184			7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M).....		2130	53,803			8.
9. Customers' liability to this bank on acceptances outstanding.....		2155	626,690			9.
10. Intangible assets (from Schedule RC-M).....		2143	310,246			10.
11. Other assets (from Schedule RC-F).....		2160	1,658,123			11.
12. Total assets (sum of items 1 through 11).....		2170	49,956,726			12.

(1) Includes cash items in process of collection and unposted debits.
 (2) Includes time certificates of deposit not held for trading.

Schedule RC-Continued

	Dollar Amounts in Thousands		Bil Mil Thou	
LIABILITIES				
13. Deposits:				
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(1) Noninterest-bearing(1).....	RCON 6631 9,726,987			13.a.(1)
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16. Other borrowed money:				
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18. Bank's liability on acceptance executed and outstanding....				
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19. Subordinated notes and debentures.....				
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20. Other liabilities (from Schedule RC-G).....				
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		RCFD 3282	0	22.
EQUITY CAPITAL				
23. Perpetual preferred stock and related surplus.....				
		RCFD 3838	0	23.
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		RCFD 3230	200,858	24.
25. Surplus (exclude all surplus related to preferred stock)...				
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26. a. Undivided profits and capital reserves.....				
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		RCFD 8434	10,194	26.b.
27. Cumulative foreign currency translation adjustments.....				
		RCFD 3284	(814)	27.
28. Total equity capital (sum of items 23 through 27).....				
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29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28).....				
		RCFD 3300	49,956,726	29.

Memorandum

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- 6 = Compilation of the bank's financial statements by external auditors
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- 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.