

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934 (Amendment No. 9)

ONEOK, INC.

(Name of Issuer)

Common Stock, Par Value \$0.01 per share

(Title of Class of Securities)

68267810

(CUSIP Number)

Larry D. Irick, Esq.
Vice President and Corporate Secretary
Westar Energy, Inc.

(f/k/a Western Resources, Inc.)
818 South Kansas Avenue
Topeka, Kansas 66612
(785) 575-1625

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

January 9, 2003

(Date of Event which Requires Filing of this Statement)

If a filing person has previously filed a statement on Schedule 13G to report
the acquisition which is the subject of this Schedule 13D, and is filing this
schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following
box: / /

Page 1 of 11

SCHEDULE 13D

CUSIP No. 68267810

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION No. OF ABOVE PERSON

WESTAR ENERGY, INC. (f/k/a WESTERN RESOURCES, INC.) 48-0290150

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (A) / /
(B) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Kansas

7 SOLE VOTING POWER
0

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING

8 SHARED VOTING POWER
4,714,434
An additional 39,892,896 shares of Common Stock
issuable in certain circumstances in the event of
the conversion (the conditions for which are not
expected to occur within the next 60 days) of

PERSON WITH 19,946,448 shares of Series A Convertible Preferred Stock.

9 SOLE DISPOSITIVE POWER
0

10 SHARED DISPOSITIVE POWER
4,714,434
An additional 39,892,896 shares of Common Stock issuable in certain circumstances in the event of the conversion (the conditions for which are not expected to occur within the next 60 days) of 19,946,448 shares of Series A Convertible Preferred Stock.

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,714,434

An additional 39,892,896 shares of Common Stock issuable in certain circumstances in the event of the conversion (the conditions for which are not expected to occur within the next 60 days) of 19,946,448 shares of Series A Convertible Preferred Stock.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES / /
CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
7.42%

Up to 45.0% of the Common Stock outstanding in the event of conversion
(the conditions for which are not expected to occur within the next 60
days) of Series A Convertible Preferred Stock.

14 TYPE OF REPORTING PERSON
CO

SCHEDULE 13D

CUSIP No. 68267810

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION No. OF ABOVE PERSON

WESTAR INDUSTRIES, INC. (f/k/a WESTAR CAPITAL, INC.) 48-1092416

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (A) / /
(B) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER
0

8 SHARED VOTING POWER
4,714,434
NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH
An additional 39,892,896 shares of Common Stock
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14 TYPE OF REPORTING PERSON

CO

Item 1. Security and Issuer.

This statement on Schedule 13D (the "Statement") is filed by Westar Energy, Inc. (f/k/a Western Resources, Inc.), a Kansas corporation ("Westar Energy"), and Westar Industries, Inc. (f/k/a Westar Capital, Inc.), a Delaware corporation and a wholly-owned subsidiary of Westar Energy ("Westar Industries" and, together with Westar Energy, the "Reporting Persons"), and relates to the Common Stock, par value \$0.01 per share (the "Common Stock"), of ONEOK, Inc., an Oklahoma corporation (the "Issuer") which Common Stock is held by Westar Industries. This Statement supplements and amends the statement on Schedule 13D originally filed by the Reporting Persons with the Commission on December 5, 1997, as amended by Amendment No. 1, filed with the Commission on November 29, 1999, Amendment No. 2, filed with the Commission on January 27, 2000, Amendment No. 3, filed with the Commission on March 8, 2000, Amendment No. 4 filed with the Commission on April 8, 2002, Amendment No. 5 filed with the Commission on April 26, 2002, Amendment No. 6 filed with the Commission on May 23, 2002, Amendment No. 7 filed with the Commission on June 3, 2002 and Amendment No. 8 filed with the Commission on August 29, 2002 (as amended, the "Schedule 13D").

The address of the principal executive offices of the Issuer is: ONEOK, Inc., 100 West Fifth Street, Tulsa, Oklahoma 74103.

Item 2. Identity and Background

Westar Energy is a Kansas corporation. It is a consumer services company with interests in monitored services and energy. The principal business address of Westar Energy is: Westar Energy, Inc. 818 S. Kansas Avenue, Topeka, Kansas 66612.

The name, business address, present principal occupation or employment and citizenship of each of the executive officers and directors of Westar Energy is set forth in Exhibit 1.1 and is incorporated by reference herein. During the last five years, Westar Energy, and to the knowledge of Westar Energy, none of the persons listed on Exhibit 1.1 hereto, (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which any such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting activities subject to, federal or state securities laws or finding any violation of such law.

Westar Industries is a Delaware corporation and a wholly-owned subsidiary of Westar Energy. It is a holding company that has investments in the energy-related and monitored security industries. The principal business address of Westar Industries is: Westar Industries, Inc. 818 S. Kansas Avenue, Topeka, Kansas 66612.

The name, business address, present principal occupation or employment and citizenship of each of the executive officers and directors of Westar Industries is set forth in Exhibit 1.2 and is incorporated by reference herein. During the last five years, Westar Industries, and to the knowledge of Westar Industries, none of the persons listed on Exhibit 1.2 hereto, (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which any such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting activities subject to, federal or state securities laws or finding any violation of such law.

Item 4. Purpose of the Transaction.

The last paragraph of Item 4 is deleted and following disclosure is in lieu thereof (capitalized terms not otherwise defined herein are used as defined in the Shareholder Agreement filed as Exhibit 7 to this Schedule 13D):

On January 9, 2003, Westar Energy announced that it and Westar Industries, Inc. have entered into an agreement with ONEOK, Inc. to sell ONEOK a portion of the shares of ONEOK Series A Convertible Preferred Stock held by Westar Industries at the prevailing market price, less transaction costs, and to exchange Westar Industries' remaining shares of Series A Convertible Preferred Stock for new shares of ONEOK \$0.925 Series D Non-Cumulative Convertible Preferred Stock. ONEOK will use half of the net proceeds up to \$250 million from planned financing transactions to pay Westar Industries for the Series A Convertible Preferred Stock. The effectiveness of the sale and related transactions is subject to approval by the Kansas Corporation Commission (KCC) and other conditions, including ONEOK's receipt of the proceeds from its planned financing transactions. In connection with this agreement, certain agreements among Westar Energy, Westar Industries and ONEOK were amended subject to the approval of the KCC.

ONEOK has agreed to file a shelf registration statement, following completion of the sale and the exchange, to register for resale to the public all the Series D Convertible Preferred shares held by Westar Industries and 4.7 million shares of ONEOK common currently held by Westar Industries. The timing of sales of the stock held by Westar Industries will be governed by a new Registration Rights Agreement entered into among Westar Energy, Westar Industries and ONEOK and to market and other conditions.

The Series D Convertible Preferred Stock will have substantially the same terms as the Series A Convertible Preferred Stock, except that:

- o The Series D Convertible Preferred Stock will have a fixed quarterly cash dividend of 23.125 cents per share, as declared by ONEOK's board of directors;
- o The Series D Convertible Preferred Stock will be redeemable by ONEOK at any time after August 1, 2006 in the event that the closing price of ONEOK common stock exceeds \$25 for 30 consecutive trading days after such date; the per share redemption price will be \$20;
- o Each share of Series D Convertible Preferred Stock will be convertible into one share of ONEOK common stock, subject to adjustment for stock splits, stock dividends, reverse stock splits or any transaction with comparable effects; and

- o Westar Industries may not convert any shares of Series D convertible Preferred Stock held by it unless the annual per share dividend for the ONEOK common stock for the previous year is greater than 92.5 cents per share and such conversion would not subject Westar Energy, Westar Industries nor ONEOK to the Public Utility Holding Company Act of 1935.

Westar Energy, Westar Industries and ONEOK have also agreed to amend the terms of their existing Shareholder Agreement and Registration Rights Agreement. The new agreements will not be effective until the sale and the exchange are completed. Under the new agreements:

- o Westar Industries will be prohibited from acquiring any additional securities of ONEOK.
- o Westar Industries may make private sales of shares as long as each sale involves less than five percent of ONEOK's outstanding common shares (assuming conversion of the Series D Convertible Preferred Stock to be sold) and is made to an owner of less than five percent of ONEOK's outstanding common shares. Westar Industries may make public sales in any broad underwritten offering under the shelf registration statement.
- o Westar Industries will have the right to designate one ONEOK board member.
- o Westar Industries will not be obligated to sell into stock repurchases by ONEOK.
- o The new Shareholder Agreement will terminate if Westar Energy's or any affiliate's beneficial ownership falls below 10 percent of ONEOK's outstanding common shares (assuming conversion of the Series D Convertible Preferred into ONEOK common stock).
- o The top-up rights, dilutive issuance rights and buy/sell option provided for in the previous Shareholder Agreement are eliminated in the new agreement.

Item 7. Material to be Filed as Exhibits.

Exhibit 1 and Exhibit A previously filed are replaced by Exhibits 1.1 and Exhibit 1.2, respectively, below:

EXHIBIT 1.1 Identity of Executive Officers and Directors of Westar Energy, Inc.

EXHIBIT 1.2 Identity of Executive Officers and Directors of Westar Industries, Inc.

EXHIBIT 6 Transaction Agreement dated as of January 9, 2003

EXHIBIT 7 Shareholder Agreement dated as of January 9, 2003

EXHIBIT 8 Registration Rights Agreement dated as of January 9, 2003

EXHIBIT 9 Form of Certificate of the Designations of \$0.925 Series D Non-Cumulative Convertible Preferred Stock

EXHIBIT 10 Form of Amended and Restated Rights Agreement

Signature

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: January 10, 2003

WESTAR ENERGY, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President and Chief Executive
Officer

WESTAR INDUSTRIES, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President

EXHIBIT 1.1

Identity of Executive Officers and Directors of Westar Energy, Inc.

The name, present principal occupation or employment, and the name of any corporation or other organization in which such employment is conducted, of each of the directors and executive officers of Westar Energy, Inc. ("Westar Energy") is set forth below. Each of the directors and officers is a citizen of the United States. The business address of each director and officer is Western Energy, Inc., 818 South Kansas Avenue, Topeka, Kansas 66612. Unless otherwise indicated, each occupation set forth opposite an executive officer's name refers to employment with Westar Energy.

Name	Title	Present Principal Occupation or Employment
Executive Officers - - - - -		
James S. Haines, Jr.	President and Chief Executive Officer	same
William B. Moore	Executive Vice President and Chief Operating Officer	same
Richard A. Dixon	Senior Vice President	same
Douglas R. Sterbenz	Senior Vice President	same
Directors - - - - -		
Frank J. Becker	Director	President of Becker Investments, Inc. in Lawrence, Kansas.
Gene A. Budig	Director	Senior Advisor to the Commissioner of Baseball, American League of Professional Baseball Clubs in New York, New York and a professor in the Woodrow Wilson School of Public and International Affairs at Princeton University.
Charles Q. Chandler, IV	Director, Chairman of the Board	Chairman of the Board, President and Chief Executive Officer of INTRUST Bank, N.A. and President of INTRUST Financial Corporation.
R. A. Edwards III	Director	President and Chief Executive Officer and a director of the First National Bank of Hutchinson, Kansas.
James S. Haines, Jr.	Director	President and Chief Executive Officer, Westar Energy, Inc.
Larry D. Irick	Director	Vice President and Corporate Secretary of Westar Energy, Inc.

John C. Nettles, Jr.

Director

Partner in the law firm of
Morrison & Hecker, L.L.P. in
Overland Park, Kansas.

EXHIBIT 1.2

Identity of Executive Officers and Director of Westar Industries, Inc.

The name, present principal occupation or employment, and the name of any corporation or other organization in which such employment is conducted, of each of the directors and executive officers of Westar Industries, Inc. ("Westar Industries") is set forth below. Each of the directors and officers is a citizen of the United States. The business address of each director and officer is Westar Industries, Inc., 818 South Kansas Avenue, Topeka, Kansas 66612. Unless otherwise indicated, each occupation set forth opposite an executive officer's name refers to employment with Westar Industries.

Name	Title	Present Principal Occupation or Employment
Executive Officers - - - - -		
James S. Haines, Jr.	President	President and Chief Executive Officer, Westar Energy, Inc.
Greg A. Greenwood	Secretary and Treasurer	Executive Director, Finance, Westar Energy, Inc.
Director James S. Haines, Jr.	Director	President and Chief Executive Officer, Westar Energy, Inc.

TRANSACTION AGREEMENT

among

ONEOK, INC.,
an Oklahoma corporation,

WESTAR ENERGY, INC.,
a Kansas corporation,

and

WESTAR INDUSTRIES, INC.,
a Delaware corporation

Dated as of January 9, 2003

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- Exhibit A - Form of Certificate of Designations
Exhibit B - Form of Amended and Restated Rights Agreement

TRANSACTION AGREEMENT

TRANSACTION AGREEMENT, dated as of January 9, 2003 (this "Agreement" among ONEOK, Inc., an Oklahoma corporation (the "Company"), WESTAR ENERGY, Inc., a Kansas corporation ("Parent"), and WESTAR INDUSTRIES, Inc., a Delaware corporation and a wholly owned direct subsidiary of Parent (the "Shareholder")).

W I T N E S S E T H:

WHEREAS, the Company intends to make a public offering (the "Offering") of shares of the common stock, par value \$0.01 per share, of the Company (the "Common Stock") and such other securities as the Company may offer (the "Other Securities");

WHEREAS, the Company desires to use a portion of the proceeds of the Offering to repurchase (the "Repurchase") from the Shareholder a portion of the shares of the Series A Convertible Preferred Stock, par value \$0.01 per share, of the Company (the "Series A Preferred Stock") and the Shareholder desires to sell such shares of the Series A Preferred Stock to the Company; and

WHEREAS, the Company desires to modify the terms of the Series A Preferred Stock by exchanging (the "Exchange") shares of newly issued \$0.925 Series D Non-Cumulative Convertible Preferred Stock, par value \$0.01 per share, of the Company (the "Series D Preferred Stock") for the shares of the Series A Preferred Stock held by the Shareholder.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Definitions. As used herein, the following terms shall have the following meaning:

"Business Day" shall mean any day, other than a Saturday, Sunday or a day on which banking institutions in Tulsa, Oklahoma and New York, New York are authorized or obligated by law or executive order to close.

"Cash Equivalents" shall mean (i) marketable securities (A) issued or directly and unconditionally guaranteed as to interest and principal by the United States of America or (B) issued by any agency of the United States of America the obligations of which are backed by the full faith and credit of the United States of America, in each case maturing within one

year after such date; (ii) marketable direct obligations issued by any state of the United States of America or the District of Columbia or any political subdivision or instrumentality thereof, in each case maturing within one year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from Standard & Poor's Ratings Group, a division of The McGraw Hill Corporation ("S&P") or at least P-1 from Moody's Investor Services, Inc. ("Moody's"); (iii) commercial paper maturing no more than one year from the date of creation thereof and having, at the time of acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iv) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers' acceptances maturing within one year after such date and issued or accepted by, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that has combined capital and surplus and undivided profits of not less than \$500,000,000; (v) fully collateralized repurchase agreements with a terms of not more than 30 days for securities described in clause (i) or (ii) above and entered into with any commercial bank satisfying the requirements of clause (iv) above; and (vi) shares of any money market mutual fund that (a) complies with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (b) had net assets of not less than \$500,000,000, and (c) has the highest rating obtainable from either S&P or Moody's.

"Conversion Factor" shall be an amount equal to, at any time, the number of shares of Common Stock into which one share of Series A Preferred Stock is then convertible.

"Gross Repurchase Amount" shall mean the sum of the Repurchase Amount and the Shareholder Allocated Expenses.

"KCC" shall mean the Kansas Corporation Commission.

"Law" shall mean any federal, state, local or foreign law, statute, ordinance, rule, regulation, judgment, injunction, order or decree.

"Net Proceeds" shall mean the proceeds of the Offering after deducting the Offering Expenses.

"NYSE" shall mean the New York Stock Exchange.

"Offering Price" shall mean the per share offering price of the Common Stock in the Offering before deducting the Offering Expenses.

"Offering Expenses" shall mean all fees, expenses, underwriting commissions and discounts, incurred or paid by the Company in connection with the Offering, including, without limitation, attorneys' and accountants' fees, filing fees and printing costs.

"OGCA" shall mean the Oklahoma General Corporation Act.

"Prior Registration Rights Agreement" shall mean the Registration Rights Agreement, dated as of November 26, 1997, between WAI, Inc. and Western Resources, Inc.

"Prior Shareholder Agreement" shall mean the Shareholder Agreement, dated as of November 26, 1997, between WAI, Inc. and Western Resources, Inc.

"Repurchase Amount" shall be an amount equal to 50% of the Net Proceeds (or such greater percentage of the Net Proceeds as the Company may, in its sole discretion, determine), not to exceed \$250,000,000.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"SEC" shall mean the United States Securities and Exchange Commission.

"Shareholder Allocated Expenses" shall mean an amount equal to the Offering Expenses multiplied by a fraction, the numerator of which is the Repurchase Amount and the denominator of which is the Net Proceeds.

"Shares" shall mean all the shares of Common Stock or Series D Preferred Stock held by the Shareholder upon consummation of the Exchange and all shares of Common Stock issued or issuable upon conversion of the Series D Preferred Stock held upon consummation of the Exchange by the Shareholder and all shares of Common Stock issued or issuable, directly or indirectly, with respect to such shares of Common Stock by way of stock dividend, stock split or combination of shares.

"Termination Date" shall mean February 28, 2003 or such later date as may be mutually agreed upon by the parties hereto.

"Transaction Documents" shall mean this Agreement, the Shareholder Agreement and the Registration Rights Agreement.

Section 1.2. Other Defined Terms. The following terms shall have the meanings defined for such terms in the Sections set forth below

Term -----	Location -----
Agreement.....	Preamble
Business Day.....	Section 1.1
Cash Equivalents.....	Section 1.1
Closing.....	Section 3.3
Closing Date.....	Section 3.3

Term -----	Location -----
Common Stock.....	Recitals
Company.....	Preamble
Conversion Factor.....	Section 1.1
Exchange.....	Recitals
Gross Repurchase Amount.....	Section 1.1
KCC.....	Section 1.1
Law.....	Section 1.1
Lock-Up Period.....	Section 2.6
Moody's.....	Section 1.1
Net Proceeds.....	Section 1.1
NYSE.....	Section 1.1
Offering.....	Recitals
Offering Expenses.....	Section 1.1
Offering Price.....	Section 1.1
Offering Registration Statement.....	Section 2.1
OGCA.....	Section 1.1
Other Securities.....	Recitals
Parent.....	Preamble
Prior Registration Rights Agreement.....	Recitals
Prior Shareholder Agreement.....	Recitals
Registration Rights Agreement.....	Section 3.1
Repurchase.....	Recitals
Repurchase Shares.....	Section 2.2
Rights Plan.....	Section 3.2(c)
S&P.....	Section 1.1
SEC.....	Section 1.1
Securities Act.....	Section 1.1
Series A Preferred Stock.....	Recitals
Series D Preferred Stock.....	Recitals
Shareholder.....	Preamble
Shareholder Agreement.....	Section 3.1
Shareholder Allocated Expenses.....	Section 1.1
Shares.....	Section 1.1
Shelf Registration.....	Section 3.3(a)
Shelf Registration Statement.....	Section 3.3(a)
Termination Date.....	Section 1.1
Transaction Documents.....	Section 1.1

ARTICLE II

THE OFFERING; THE REPURCHASE

Section 2.1. The Offering. (a) The Company has previously filed on December 20, 2002 with the SEC a registration statement (the "Offering Registration Statement") providing for the registration under the Securities Act of the sale of shares of Common Stock and Other Securities and shall use commercially reasonable efforts to have the Offering Registration Statement declared effective under the Securities Act as promptly as practicable after the date hereof.

(b) Following the SEC declaring the Offering Registration Statement effective, the Company agrees use commercially reasonable efforts to effect the Offering prior to February 28, 2003 if permitted by capital market conditions, as may be determined by the Company in its sole discretion. The Company shall provide Parent and the Shareholder with as much prior notice as practicable of the commencement of the Offering.

(c) In the event that the Offering is consummated prior to the satisfaction of the condition set forth in Section 6.1(a), the Company shall hold separate a portion of the Net Proceeds equal to the Repurchase Amount and invest those funds only in Cash Equivalents until the Closing or the termination of this Agreement.

Section 2.2. The Repurchase. Upon and pursuant to the terms and subject to the conditions of this Agreement, at the Closing, the Company shall repurchase from the Shareholder, and the Shareholder shall sell to the Company, that number of shares of Series A Preferred Stock (the "Repurchase Shares") equal to the Gross Repurchase Amount divided by the product of the Offering Price and the then current Conversion Factor.

Section 2.3. Lock-Up. The Shareholder agrees that from the date hereof until the later of (x) the Termination Date and (y) the expiration of the Lock-Up Period, it will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences or ownership of the Common Stock or any security convertible into or exercisable or exchangeable for Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise, other than the sale of the Repurchase Shares as contemplated by this Agreement. The "Lock-Up Period" shall be the period that ends (i) 90 days after the Closing Date,

in the event that the Repurchase Amount is less than \$200,000,000, or (ii) 180 days after the Closing Date, in the event that the Repurchase Amount is equal to or greater than \$200,000,000; provided, however, that there shall be no Lock-Up Period if the Offering is not consummated by the Termination Date.

Section 2.4. Waiver; Consent. Parent and the Shareholder each waive any (x) rights to any Piggy-Back Registration (as defined in, and pursuant to, the Prior Registration Rights Agreement), (y) Dilutive Issuance Rights (as defined in, and pursuant to, the Prior Shareholder Agreement or (z) any similar rights they might have, in each case, with respect to the Offering Registration Statement and the Offering, so long as the Offering and the Repurchase are consummated on or prior to the Termination Date.

ARTICLE III

SHAREHOLDER AGREEMENT; REGISTRATION RIGHTS AGREEMENT; THE EXCHANGE

Section 3.1. Effectiveness of Transaction Documents. Simultaneously herewith, the parties have each executed and delivered the Shareholder Agreement, dated as of the date hereof (the "Shareholder Agreement") and the Registration Rights Agreement, dated as of the date hereof (the "Registration Rights Agreement") a copy of each of which is attached hereto. Each of the Shareholder Agreement and the Registration Rights Agreement shall become effective in accordance with their terms immediately upon the consummation of the Repurchase and the Exchange.

Section 3.2. The Exchange. Upon the terms and subject to the conditions set forth herein, on the Closing Date, the Company shall modify the terms of the Series A Preferred Stock by issuing to the Shareholder a number of shares of the Series D Preferred Stock equal to the then current Conversion Factor in exchange for each share of Series A Preferred Stock not repurchased in the Repurchase. The Series D Preferred Stock shall have the terms provided for in the form of Certificate of Designations attached hereto as Exhibit A.

Section 3.3. The Closing. (a) The closing of the Repurchase and the Exchange (the "Closing") shall be conditioned upon each other, shall occur simultaneously and shall take place at the offices of Gable & Gotwals, 100 West Fifth Street, Suite 1000, Tulsa, Oklahoma, on the second Business Day following the satisfaction or waiver of all the conditions to the parties' obligation set forth in Article VI or at such place, time and date as the parties may agree (the "Closing Date").

(b) At the Closing, the Company shall pay the Shareholder an amount in cash equal to the Repurchase Amount against delivery of certificates representing the Repurchase Shares, duly endorsed in blank for transfer or accompanied by duly executed stock powers assigning the Repurchase Shares in blank. Payment of the Repurchase Amount shall be in

U.S. Dollars and shall be made on the Closing Date by wire transfer of immediately available funds to an account with JPMorganChase designated by the Shareholder in writing at least two days prior to the Closing Date.

(c) At the Closing, the Company shall deliver to the Shareholder certificates representing newly issued shares of Series D Preferred Stock against delivery of certificates representing the shares of Series A Preferred Stock not repurchased in the Repurchase, duly endorsed in blank for transfer or accompanied by duly executed stock powers assigning such shares of Series A Preferred Stock in blank.

(d) On the Closing Date, the Company will execute and deliver to the Rights Agent (as defined in the Rights Plan) the Amended and Restated Rights Plan in substantially the form attached hereto as Exhibit B (the "Rights Plan"). Each of Parent and Shareholder consent to the execution and delivery by the Company of the Rights Plan on the Closing Date.

Section 3.4. Shelf Registration. (a) Within sixty (60) days following the Closing, the Company shall file a registration statement on Form S-3 (the "Shelf Registration Statement") providing for the registration (the "Shelf Registration") of the sale of the Shares and shall use commercially reasonable efforts to have the Shelf Registration Statement declared effective under the Securities Act as promptly as practicable after filing and shall use commercially reasonable efforts to maintain the effectiveness of the Shelf Registration Statement. The Shelf Registration shall be subject to the terms and conditions of the Registration Rights Agreement.

(b) In connection with the Shelf Registration Statement, the Company agrees to use commercially reasonable efforts to cause the shares of the Series D Preferred Stock, if permitted by NYSE rules, and the shares of Common Stock issuable upon conversion the Series D Preferred Stock to be listed on the NYSE prior to any sale, transfer or conversion of the Series D Preferred Stock by the Shareholder.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties of the Company. The Company represents and warrants to the Shareholder as of the date hereof as follows:

(a) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Oklahoma and has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder.

(b) This Agreement has been duly and validly authorized by the Company and all necessary and appropriate action has been taken by the Company to execute and deliver this Agreement and to perform its obligations hereunder.

(c) This Agreement has been duly executed and delivered by the Company and assuming due authorization and valid execution and delivery by Parent and the Shareholder, this Agreement is a valid and binding obligation of the Company, enforceable in accordance with its terms.

(d) Other than any consents that have already been obtained, no consent, waiver, approval, authorization, exemption, registration, license or declaration is required to be made or obtained by the Company in connection with the (i) execution, delivery or performance of this Agreement or (ii) the consummation of any of the transactions contemplated by this Agreement or the Transaction Documents.

(e) The execution and delivery by the Company of this Agreement and the performance of its obligations hereunder does not and will not (i) conflict with, or result in the breach of any provision of the constitutive documents of the Company; (ii) result in any violation, breach, conflict, default or event of default (or an event which with notice, lapse of time, or both, would constitute a default or event of default), or give rise to any right of acceleration or termination or any additional payment obligation, under the terms of any material contract, agreement or permit to which the Company is a party or by which the Company's assets or operations are bound or affected; or (iii) violate, in any material respect, any Law applicable to the Company.

(f) The shares of Series D Preferred Stock to be issued pursuant to this Agreement have been duly authorized for issuance, and such shares, when issued and delivered to the Shareholder, will be validly issued, fully paid and non-assessable.

Section 4.2. Representations and Warranties of the Parent and the Shareholder. Each of Parent and the Shareholder represents and warrants to the Company as of the date hereof as follows:

(a) Each of Parent and the Shareholder has been duly incorporated and is validly existing as a corporation in good standing under the laws of its state of incorporation and has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder.

(b) This Agreement has been duly and validly authorized by each of Parent and the Shareholder and all necessary and appropriate action has been taken by each of Parent and the Shareholder to execute and deliver this Agreement and to perform its obligations hereunder.

(c) This Agreement has been duly executed and delivered by each of Parent and the Shareholder and assuming due authorization and valid execution and delivery by the Company, this Agreement is a valid and binding obligation of each of Parent and the Shareholder, enforceable in accordance with its terms.

(d) Other than the approval of the KCC with respect to the Repurchase, the Exchange and the Shareholder Agreement and any consents that have already been obtained, no consent, waiver, approval, authorization, exception, registration, license or declaration is required to be made or obtained by either Parent or the Shareholder in connection with (i) the execution, delivery or performance of this Agreement or (ii) the consummation of any of the transactions contemplated by this Agreement or the Transaction Documents.

(e) The execution and delivery by Parent and the Shareholder of this Agreement and the performance of its obligations hereunder does not and will not (i) conflict with, or result in the breach of any provision of the constitutive documents of either Parent or the Shareholder; (ii) result in any violation, breach, conflict, default or event of default (or an event which with notice, lapse of time, or both, would constitute a default or event of default), or give rise to any right of acceleration or termination or any additional payment obligation, under the terms of any material contract, agreement or permit to which either Parent or the Shareholder is a party or by which either Parent or the Shareholder's assets or operations are bound or affected; or (iii) violate, in any material respect, any Law applicable to either Parent or the Shareholder.

(f) Upon consummation of the Repurchase, the Company will have valid and marketable title to the Repurchase Shares, free and clear of all title defects, security interests, liens or encumbrances of any nature whatsoever.

ARTICLE V

COVENANTS

Section 5.1. Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, the Company, Parent and the Shareholder will use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable Law to consummate the transactions contemplated by this Agreement and the Transaction Documents.

Section 5.2. KCC Approval. As promptly as practicable after the date hereof, Parent and the Shareholder shall prepare and submit to the KCC all necessary and appropriate filings and other submissions in connection with seeking KCC approval of the Re-

purchase, the Exchange and the Shareholder Agreement and will (i) prosecute such filings or submissions with reasonable diligence and (ii) take all such further action as in the reasonable judgment of Parent and the Shareholder may facilitate a final order or orders of the KCC approving such transactions. The Company shall cooperate with Parent and the Shareholder to achieve the foregoing to the extent reasonably requested by Parent and the Shareholder, including assisting in the preparation of all filings or submissions that could in the reasonable opinion of the Company and Parent affect the likelihood of obtaining KCC approval of the Repurchase (including without limitation using commercially reasonable efforts to assist Parent in demonstrating that the Repurchase Amount reflects the fair market value of the Repurchase Shares), the Exchange and the Shareholder Agreement.

ARTICLE VI

CONDITIONS TO THE REPURCHASE AND THE EXCHANGE

Section 6.1. Conditions to Obligations of Each Party. The obligations of the Company, Parent and the Shareholder to consummate the Repurchase and the Exchange are subject to the satisfaction (or, to the extent permitted under Law, waiver by the relevant party in its sole discretion) of the following conditions:

(a) the KCC shall have issued a decision (which decision has not been stayed or enjoined) that constitutes an unappealable order approving, exempting or otherwise authorizing the Repurchase, the Exchange and the Shareholder Agreement;

(b) the Offering shall have been consummated and the Company shall have received the Net Proceeds; and

(c) no provision of any applicable Law and no judgment, injunction, order or decree shall prohibit the consummation of the Repurchase or the Exchange.

Section 6.2. Conditions to the Obligations of Parent and the Shareholder. The obligations of Parent and Shareholder to consummate the Repurchase and the Exchange are subject to the satisfaction (or, to the extent permitted under Law, waiver by Parent in its sole discretion) of the following further conditions:

(a) The representations and warranties of the Company set forth in Section 4.1 shall be true and correct on the Closing Date; and

(b) the Company shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing.

Section 6.3. Conditions to the Obligations of the Company. The obligation of the Company to consummate the Repurchase and the Exchange is subject to the satisfaction

(or, to the extent permitted under Law, waiver by the Company in its sole discretion) of the following further conditions:

(a) the representations and warranties of Parent and the Shareholder set forth in Section 4.2 shall be true and correct on the Closing Date; and

(b) each of Parent and the Shareholder shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing.

ARTICLE VII

TERMINATION

Section 7.1. Termination. This Agreement may be terminated:

(a) at any time by the mutual written agreement of the Company, Parent and the Shareholder; or

(b) by the Company, on the one hand, or Parent or the Shareholder, on the other hand, if the Offering is not consummated by the Termination Date.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Injunctive Relief. Each party hereto acknowledges that it would be impossible to determine the amount of damages that would result from any breach of any of the provisions of this Agreement and that the remedy at law for any breach, or threatened breach, of any of such provisions would likely be inadequate and, accordingly, agrees that each other party shall, in addition to any other rights or remedies which it may have, be entitled to seek such equitable and injunctive relief as may be available from any court of competent jurisdiction to compel specific performance of, or restrain any party from violating, any of such provisions. In connection with any action or proceeding for injunctive relief, each party hereto hereby waives the claim or defense that a remedy at law alone is adequate and agrees, to the maximum extent permitted by law, to have each provision of this Agreement specifically enforced against him or it, without the necessity of posting bond or other security against him or it, and consents to the entry of injunctive relief against him or it enjoining or restraining any breach or threatened breach of such provisions of this Agreement.

Section 8.2. Successors and Assigns. This Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the Company, on the one hand, and by Parent and the Shareholder, on the other hand, and their respective successors and

permitted assigns, and no such term or provision is for the benefit of, or intended to create any obligations to, any other Person.

Section 8.3. Amendments; Waiver. (a) This Agreement may be amended only by an agreement in writing executed by the parties hereto.

(b) Either party may waive in whole or in part any benefit or right provided to it under this Agreement, such waiver being effective only if contained in a writing executed by the waiving party. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon breach thereof shall constitute a waiver of any such breach or of any other covenant, duty, agreement or condition, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

Section 8.4. Notices. Except as otherwise provided in this Agreement, all notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, when delivered personally or by courier, three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested), or when received by facsimile transmission if promptly confirmed by one of the foregoing means, as follows:

If to the Company:

ONEOK, Inc.
100 W. Fifth Street
Tulsa, Oklahoma
Attention: Chief Executive Officer
Fax: (918) 588-7961

with a copy to:

ONEOK, Inc.
100 W. Fifth Street
Tulsa, Oklahoma
Attention: General Counsel
Fax: (918) 588-7971

If to Parent:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

If to the Shareholder:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

or to such other address or facsimile number as either party may, from time to time, designate in a written notice given in a like manner.

Section 8.5. Applicable Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF OKLAHOMA WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW.

Section 8.6. Headings. The descriptive headings of the several sections in this Agreement are for convenience only and do not constitute a part of this Agreement and

shall not be deemed to limit or affect in any way the meaning or interpretation of this Agreement.

Section 8.7. Integration. This Agreement and the other writings referred to herein or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to its subject matter other than those expressly set forth or referred to herein.

Section 8.8. Severability. If any term or provision of this Agreement or any application thereof shall be declared or held invalid, illegal or unenforceable, in whole or in part, whether generally or in any particular jurisdiction, such provision shall be deemed amended to the extent, but only to the extent, necessary to cure such invalidity, illegality or unenforceability, and the validity, legality and enforceability of the remaining provisions, both generally and in every other jurisdiction, shall not in any way be affected or impaired thereby.

Section 8.9. Consent to Jurisdiction. In connection with any suit, claim, action or proceeding arising out of this Agreement, Parent, the Shareholder and the Company each hereby consent to the in personam jurisdiction of the United States federal courts and state courts located in Tulsa, Oklahoma; the Shareholder and the Company each agree that service in the manner set forth in Section 8.9 hereof shall be valid and sufficient for all purposes; and the Shareholder and the Company each agree to, and irrevocably waive any objection based on forum non conveniens or venue, appear in any United States federal court state court located in Tulsa, Oklahoma.

Section 8.10. Counterparts. This Agreement may be executed by the parties hereto in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company, Parent and the Shareholder have caused this Agreement to be duly executed by their respective authorized officers as of the date set forth at the head of this Agreement.

ONEOK, INC.

By: /s/ David L. Kyle

Name: David L. Kyle
Title: Chairman, President and Chief
Executive Officer

WESTAR ENERGY, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President and Chief Executive Officer

WESTAR INDUSTRIES, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President

SHAREHOLDER AGREEMENT

among

ONEOK, INC.,

an Oklahoma corporation,

WESTAR ENERGY, INC.,

a Kansas corporation,

and

WESTAR INDUSTRIES, INC.,

a Delaware corporation

Dated as of January 9, 2003

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SHAREHOLDER AGREEMENT

SHAREHOLDER AGREEMENT, dated as of January 9, 2003 (this "Agreement"), among ONEOK, INC., an Oklahoma corporation (the "Company"), WESTAR ENERGY, INC., a Kansas corporation ("Parent"), and WESTAR INDUSTRIES, INC., a Delaware corporation and wholly owned subsidiary of Parent (the "Shareholder").

W I T N E S S E T H:

WHEREAS, the Company, Parent and Shareholder have entered into a Transaction Agreement, dated as of January 9, 2003 (the "Transaction Agreement") pursuant to which, among other things, (i) the Company has agreed to use commercially reasonable efforts to make a public offering (the "Offering") of shares of the common stock, par value \$0.01 per share, of the Company (the "Common Stock") and such other securities as the Company may offer, (ii) the Company will use a portion of the proceeds of the Offering to repurchase (the "Series A Repurchase") a portion of the shares of the Series A Convertible Preferred Stock of the Company, par value \$0.01 per share (the "Series A Preferred Stock") held by the Shareholder and (iii) the Company will modify the terms of the Series A Preferred Stock by exchanging (the "Exchange") shares of newly issued \$0.925 Series D Non-Cumulative Convertible Preferred Stock of the Company, par value \$0.01 per share (the "Series D Preferred Stock") for all the shares of Series A Preferred Stock held by Shareholder not repurchased by the Company in the Series A Repurchase;

WHEREAS, the Company and Parent are parties to a Shareholder Agreement (the "Prior Shareholder Agreement"), dated as of November 26, 1997, and desire to terminate the Prior Shareholder Agreement and replace it in its entirety with this Agreement;

WHEREAS, the Company, Parent and the Shareholder desire to establish in this Agreement certain terms and conditions concerning the acquisition and disposition of securities of the Company by the Shareholder, and related provisions concerning Parent's and the Shareholder's relationship with and investment in the Company; and

WHEREAS, concurrently with the execution and delivery hereof, the Company and the Shareholder are entering into an Amended and Restated Registration Rights Agreement, dated as of the date hereof (the "Registration Rights Agreement").

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Defined Terms. In addition to other terms defined elsewhere in this Agreement, as used in this Agreement, the following terms shall have the meanings ascribed to them below:

"13D Group" shall mean any group of Persons acquiring, holding, voting or disposing of any Security which would be required under Section 13(d) of the Exchange Act and the rules and regulations thereunder to file a statement on Schedule 13D with the Commission as a "person" within the meaning of Section 13(d)(3) of the Exchange Act.

"Affiliate" shall mean, with respect to any person, any other person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with such person. For the purposes of this definition, "control," when used with respect to any particular person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Beneficial Owner" (and, with correlative meanings, "Beneficially Own" and "Beneficial Ownership") of any interest means a Person who, together with his or its Affiliates, is or may be deemed a beneficial owner of such interest for purposes of Rule 13d-3 or 13d-5 under the Exchange Act, or who, together with his or its Affiliates, has the right to become such a beneficial owner of such interest (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise, conversion or exchange of any warrant, right or other instrument, or otherwise.

"Board" shall mean the Board of Directors of the Company in office at the applicable time, as elected in accordance with the By-laws of the Company and with the provisions of this Agreement.

"Business Day" shall mean any day, other than a Saturday, Sunday or a day on which banking institutions in Tulsa, Oklahoma and New York City, New York are authorized or obligated by law or executive order to close.

"By-laws" shall mean the by-laws of the Company, as they may be amended from time to time.

"Change in Control" shall mean the occurrence of any one of the following events:

(1) any Person (other than the Shareholder Group) becoming the Beneficial Owner, directly or indirectly, of 35% or more of the Securities entitled to vote generally in the election of Directors, pursuant to the consummation of a merger, consolidation, sale of all or substantially all of the Company's assets, share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's shareholders, whether for such transaction or the issuance of securities in such transaction; provided, however, that the event described in this paragraph (1) shall not be deemed to be a Change in Control if it occurs as the result of any of the following acquisitions: (A) by any employee benefit plan sponsored or maintained by the Company or any Affiliate, or (B) by any underwriter temporarily holding Securities pursuant to an offering of such Securities;

(2) the consummation of a merger, consolidation, sale of all or substantially all of the Company's assets, share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's shareholders, whether for such transaction or the issuance of securities in such transaction, unless immediately following such transaction more than 50% of the total voting power of (x) the corporation resulting from such transaction, or (y) if applicable, the ultimate parent corporation that directly or indirectly has Beneficial Ownership of 100% of the securities eligible to elect directors of such resulting corporation, is represented by Securities entitled to vote generally in the election of Directors that were outstanding immediately prior to such transaction (or, if applicable, shares into which such Securities were converted pursuant to such transaction), and such voting power among the holders of such Securities that were outstanding immediately prior to such transaction is in substantially the same proportion as the voting power of such Securities among the holders thereof immediately prior to such transaction; or

(3) the consummation of a plan of complete liquidation or dissolution of the Company.

"Charter" shall mean the Certificate of Incorporation of the Company, as it may be amended from time to time.

"Clearly Credible Tender Offer" shall mean any bona fide offer, tender offer or exchange offer that is subject to Section 14 of the Exchange Act, other than any such offer with respect to which (i) the Board is advised in writing by outside counsel of recognized standing that the consummation of such offer would be in violation of applicable law, or (ii) the party making such offer has not obtained as of the date of the commencement of such offer

definitive commitment letters from reputable financial institutions in customary form with respect to the financing of such offer.

"Commission" shall mean the United States Securities and Exchange Commission.

"Conversion" shall mean the conversion of shares of Series D Preferred Stock into shares of Common Stock pursuant to the Charter.

"Director" shall mean any member of the Board of Directors of the Company in office at the applicable time, as elected in accordance with the provisions of the By-laws of the Company.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Independent Director" shall mean any person who is not a Shareholder Nominee and is independent of and otherwise unaffiliated with any member of the Shareholder Group, and who is not a director, officer, employee, consultant or advisor (financial, legal or other) of any member of the Shareholder Group and has not served in any such capacity in the previous three (3) years.

"Market Price" for a Security of the Company shall mean the average of the closing prices for such Security for the twenty (20) Trading Days immediately prior to the date on which the Market Price is being determined; provided, however, that in the event that the current per share market price of such security is determined during a period following the announcement by the Company of (a) a dividend or distribution on such security payable in shares of such security or securities convertible into such shares, or (b) any subdivision, combination or reclassification of such security and prior to the expiration of 20 Trading Days after the ex-dividend date for such dividend or distribution, or the record date for such subdivision, combination or reclassification, then, and in each such case, the current per share market price shall be appropriately adjusted to take into account ex-dividend trading or the effects of such subdivision, combination or reclassification. The closing price for each day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the NYSE or, if such security is not listed or admitted to trading on the NYSE, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such security is listed or admitted to trading or, if such security is not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such date such

security is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such security selected by a majority of the Board or, if on any such date no market maker is making a market in such security, the fair value as determined in good faith by a majority of the Board based upon the opinion of an independent investment banking firm of recognized standing.

"NYSE" shall mean the New York Stock Exchange.

"Person" shall mean any individual, partnership, joint venture, corporation, trust, unincorporated organization, government or department or agency of a government.

"Rights" shall have the meaning given in the Rights Agreement.

"Rights Agreement" means the Amended and Restated Rights Agreement, in the form attached to the Transaction Agreement as Exhibit B.

"Securities" shall mean any securities of the Company.

"Shareholder Affiliate" shall mean any Affiliate of the Shareholder.

"Shareholder Group" shall mean Parent, the Shareholder, any Shareholder Affiliate and any Person with whom any Shareholder or any Affiliate of any Shareholder is part of a 13D Group.

"Subject Securities" shall mean shares of Series D Preferred Stock and/or shares of Common Stock.

"Trading Day", with respect to a Security, shall mean a day on which the principal national securities exchange on which such Security is listed or admitted to trading is open for the transaction of business or, if such security is not listed or admitted to trading on any national securities exchange, any day other than a Saturday, Sunday or a day on which banking institutions in the City of New York are authorized or obligated to close.

"Transfer" shall mean any sale, transfer, pledge, encumbrance or other disposition to any Person (such Person, a "Transferee"), and to "Transfer" shall mean to sell, transfer, pledge, encumber or otherwise dispose of to any Person.

Section 1.2. Other Defined Terms. The following terms shall have the meanings defined for such terms in the sections set forth below:

Term	Section
Agreement.....	Preamble
Buy-Back Offer.....	4.4(a)
Common Stock.....	Recitals
Company.....	Preamble
Company Repurchase Notice.....	4.4(b)
Control Share Acquisition Statute.....	5.3(c)
Conversion Threshold.....	4.7
Exchange.....	Recitals
Initial Shareholder Nominee.....	5.1(b)
Initial Shareholder Nominee Notice.....	5.1(b)
Offering.....	Recitals
Parent.....	Preamble
Prior Shareholder Agreement.....	Recitals
Registration Rights Agreement.....	Recitals
Repurchase.....	4.4(a)
Series A Preferred Stock.....	Recitals
Series D Preferred Stock.....	Recitals
Series A Repurchase.....	Recitals
Shareholder.....	Preamble
Shareholder Nominee.....	5.1(c)
Successor Shareholder Nominee.....	5.1(c)
Transaction Agreement.....	Recitals

ARTICLE II

TERMINATION OF PRIOR SHAREHOLDER AGREEMENT; EFFECTIVENESS

Section 2.1. Termination. The Company and Parent agree that, effective immediately upon the consummation of the Series A Repurchase and the Exchange, the Prior Shareholder Agreement is hereby terminated and is of no further force and effect.

Section 2.2. Effectiveness. This Agreement shall become effective immediately upon the consummation of the Series A Repurchase and the Exchange and shall remain in effect until terminated in accordance with Section 6.1.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.1. Representations and Warranties of the Company. The Company represents and warrants to each of Parent and the Shareholder as of the date hereof as follows:

(a) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Oklahoma and has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder.

(b) This Agreement has been duly and validly authorized by the Company and all necessary and appropriate action has been taken by the Company to execute and deliver this Agreement and to perform its obligations hereunder.

(c) This Agreement has been duly executed and delivered by the Company and assuming due authorization and valid execution and delivery by Parent and the Shareholder, this Agreement is a valid and binding obligation of the Company, enforceable in accordance with its terms.

Section 3.2. Representations and Warranties of Parent and the Shareholder. Each of Parent and the Shareholder represent and warrant to the Company as of the date hereof as follows:

(a) Each of Parent and the Shareholder has been duly incorporated and is validly existing as a corporation in good standing under the laws of its state of incorporation and has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder.

(b) This Agreement has been duly and validly authorized by each of Parent and the Shareholder and all necessary and appropriate action has been taken by each of Parent and the Shareholder to execute and deliver this Agreement and to perform its obligations hereunder.

(c) This Agreement has been duly executed and delivered by each of Parent and the Shareholder and assuming due authorization and valid execution and delivery by the Company, this Agreement is a valid and binding obligation of each of Parent and the Shareholder, enforceable in accordance with its terms.

(d) As of the date hereof of this Agreement, the Shareholder Group Beneficially Owns 4,714,434 shares of Common Stock and 19,946,448 shares of Series A

Preferred Stock and does not Beneficially Own any other Securities or any other warrant, option or other similar right to acquire Securities other than as a result of any stock split, stock dividend, reclassification or any transaction with a similar effect upon the Common Stock or Series A Preferred Stock.

ARTICLE IV

SHAREHOLDER AND COMPANY CONDUCT

Section 4.1. Standstill Provision. Subject to the provisions of this Agreement, during the term of this Agreement, Parent and the Shareholder each agree with the Company that, without the prior approval of a majority of the Board, neither Parent nor the Shareholder will, and Parent and the Shareholder will cause each Shareholder Affiliate not to, take any of the following actions:

(a) singly or as part of a partnership, limited partnership, syndicate or other 13D Group, directly or indirectly, acquire, propose to acquire, or publicly announce or otherwise disclose an intention to propose to acquire, or offer or agree to acquire, by purchase or otherwise, Beneficial Ownership of any Securities other than as a result of any stock split, stock dividend, reclassification or any transaction with a similar effect upon the Common Stock or Series D Preferred Stock or the conversion of the Series D Preferred Stock;

(b) deposit (either before or after the date of the execution of this Agreement) any Security in a voting trust or subject any Security to any similar arrangement or proxy with respect to the voting of such Security;

(c) make, or in any way participate, directly or indirectly, in any "solicitation" of "proxies," or become a "Participant" in a "solicitation" (as such terms are used in Regulation 14A under the Exchange Act) to seek to advise or influence any person to vote against any proposal or director nominee recommended to the shareholders of the Company or any of its subsidiaries by at least a majority of the Board;

(d) form, join or in any way participate in a 13D Group with respect to any Security of the Company or any securities of its subsidiaries;

(e) commence (including by means of proposing or publicly announcing or otherwise disclosing an intention to propose, solicit, offer, seek to effect or negotiate) a merger, acquisition or other business combination transaction relating to the Company;

(f) initiate a "proposal," as such term is used in Rule 14a-8 under the Exchange Act, "propose," or otherwise solicit the approval of, one or more stockholders for a "proposal" or induce or attempt to induce any other person to initiate a "proposal;"

(g) otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies of the Company; or

(h) take any other action to seek or effect control of the Company other than in a manner consistent with the terms of this Agreement.

This section shall not be deemed to restrict the Shareholder Nominee from participating as a board member in the direction of the Company.

Section 4.2. Required Reduction of Ownership. If at any time Parent or the Shareholder becomes aware that the Shareholder Group has acquired, directly or indirectly, the Beneficial Ownership of any Securities not permitted by this Agreement, then Parent or the Shareholder shall, or shall cause the Shareholder Group to, consistent with the provisions of Section 4.3 of this Agreement, promptly take all action necessary to Transfer or otherwise cease to Beneficially Own such additional Securities.

Section 4.3. Restrictions on Transfer. None of the members of the Shareholder Group shall directly or indirectly Transfer any Subject Securities without the prior written consent of the Company, except the following Transfers:

(a) Transfers of Subject Securities representing upon Transfer less than 5.0% of the then outstanding Common Stock (assuming the conversion of all shares of Series D Preferred Stock to be Transferred into shares of Common Stock) to any Transferee, without prior notice to the Company, so long as such Transferee and any Affiliate of such Transferee and any such person who is a member of a 13D Group with such Transferee does not Beneficially Own more than 5.0% of the then outstanding Common Stock (assuming the conversion of all shares of Series D Preferred Stock to be Transferred and the conversion of all other Securities convertible into Common Stock held by such Transferee into shares of Common Stock) immediately prior to giving effect to each such Transfer.

(b) Transfers of Subject Securities to the public in a bona fide underwritten offering pursuant to the Registration Rights Agreement upon fifteen (15) Business Days prior written notice to the Company; provided, however, that Parent, the Shareholder and the representative or representatives of the underwriters previously agree in writing with the Company that all reasonable efforts will be made to achieve a wide distribution of the Subject Securities in such offering and to ensure that no Transferee in such offering acquires for its own account Beneficial Ownership of Securities repre-

senting upon Transfer 5.0% or more of the then outstanding Common Stock (assuming the conversion of all shares of Series D Preferred Stock to be Transferred into shares of Common Stock).

(c) Transfers of all or part of the Shareholder Group's Subject Securities pursuant to a pro rata distribution of Subject Securities among the shareholders of Parent.

(d) Transfers of Subject Securities among members of the Shareholder Group; provided, however, that any such transferee shall agree with the Company in writing prior to each such transfer to be bound by the terms of this Agreement with respect to its Beneficial Ownership of Subject Securities.

(e) If a Clearly Credible Tender Offer for the Company has been commenced and the Board has determined or resolved to redeem or modify (to render inapplicable thereto) the Rights or the Rights Agreement (or a substantially similar agreement) or the Rights or the Rights Agreement (or a substantially similar agreement) does not, for any other reason, apply to such Clearly Credible Tender Offer, at the Shareholder's option, Transfers of Subject Securities by means of tenders into such Clearly Credible Tender Offer in an amount not exceeding the percentage (assuming the conversion of all shares of Series D Preferred Stock into shares of Common Stock) of the Subject Securities of which it is the Beneficial Owner equal to the highest percentage of the aggregate of all Subject Securities not Beneficially Owned by any member of the Shareholder Group which has ever been announced to have been tendered into such Clearly Credible Tender Offer.

Section 4.4. Buy-Back Options. (a) During the term of this Agreement, if the Company purchases Securities from the public, whether by tender offer, open market purchase or otherwise (a "Repurchase"), the Company shall contemporaneously with the Repurchase offer to repurchase from the Shareholder on the same terms and conditions, including price, as in the Repurchase, a percentage (assuming the conversion of all shares of Series D Preferred Stock into shares of Common Stock) of those Securities Beneficially Owned by the Shareholder equal to the percentage (assuming the conversion of all shares of Series D Preferred Stock into shares of Common Stock) of Securities to be Repurchased from the Beneficial Owners of Securities other than the Shareholder or any Shareholder Affiliate (the "Buy-Back Offer"). The Shareholder may accept such Buy-Back Offer in its sole discretion.

(b) The Company shall provide notice to the Shareholder of its intention to engage in a Repurchase not less than ten (10) days in advance of the date on which the Repurchase is to begin (the "Company Repurchase Notice"). The Shareholder must provide notice to the Company within ten (10) days of receipt of the Company Repurchase Notice of whether the Shareholder intends to accept the Buy-Back Offer.

Section 4.5. Charter and By-laws. During the term of this Agreement the Company shall not amend, alter or repeal, or propose the amendment, alteration or repeal of, any provision of the Charter or the By-laws in any manner which is inconsistent with the terms of this Agreement and which adversely affects the rights of the Shareholder Group under the terms of this Agreement. If at any time during the term of this Agreement the provisions of this Agreement shall conflict with the provisions of the Charter and the By-laws, the provisions of this Agreement shall be controlling.

Section 4.6. Rights Agreement. During the term of this Agreement, the Company hereby agrees not to amend any provision of the Rights Agreement in any manner which is inconsistent with the terms of this Agreement or the Transaction Agreement and which adversely affects the rights of the Shareholder Group under the terms of this Agreement.

Section 4.7. Agreement Not to Convert. During the term of this Agreement each of Parent and the Shareholder agree that it shall not, and shall cause each Shareholder Affiliate not to, Convert any shares of Series D Preferred Stock Beneficially Owned by the Shareholder or any Affiliate into shares of Common Stock unless (x) the aggregate of the regular cash dividends for the fiscal year immediately prior to such Conversion which would have been payable with respect to all the shares of Common Stock issuable upon Conversion of one share of Series D Preferred Stock is greater than \$0.925 (the "Conversion Threshold") and (y) such conversion would not have a material adverse effect on the exemptions from the 1935 Act of the Company or any of its subsidiaries or of Parent, the Shareholder or any Shareholder Affiliate. Special or extraordinary dividends shall not be taken into account in determining whether the Conversion Threshold has been met. Notwithstanding anything contained in this Section 4.7 to the contrary, the Shareholder may convert shares of Series D Preferred Stock into shares of Common Stock in connection with, and immediately prior to, a Transfer pursuant to subsections (a)-(c) and (e) of Section 4.3.

Section 4.8. Taxes Upon Conversion or Exchange. The Company hereby agrees to pay any and all stock transfer and documentary stamp taxes that may be payable in respect of any issuance or delivery of (i) any shares of Series D Preferred Stock, (ii) any shares of Common Stock issued in a Conversion of shares of Series D Preferred Stock, or (iii) any exchange of shares of Common Stock for shares of Series D Preferred Stock, or certificates or instruments evidencing any of such shares or securities. The Company shall not, however, be required to pay any such tax which may be payable in respect of any transfer involved in the issuance or delivery of shares of Common Stock in a Conversion of shares of Series D Preferred Stock in a name other than that in which the shares of such Series D Preferred Stock were registered.

Section 4.9. Prohibition on Senior Securities. During the term of this Agreement, the Company hereby agrees that it shall not create, authorize or reclassify any

authorized stock of the Company into (x) any class or series of the Company's capital stock ranking equal or prior to the Series D Preferred Stock as to dividends or as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or (y) any class or series of the Company's capital stock entitled to vote separately as a class on any matter whatsoever, other than an amendment to the Charter which would have the effect of modifying the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of such class or series so as to affect the holders thereof adversely, or (z) any security convertible into shares of any class or series described in (x) or (y) above.

ARTICLE V

BOARD REPRESENTATION AND VOTING

Section 5.1. Directors Designated by the Shareholder. (a) Subsequent to the Exchange, the Board shall, if requested by the Shareholder, appoint as a Director the Initial Shareholder Nominee who has been designated by the Shareholder in writing. The Initial Shareholder Nominee shall be placed in the class of Directors next standing for election. In the event of a vacancy caused by the disqualification, removal, resignation or other cessation of service of the Initial Shareholder Nominee from the Board, the Board shall, if requested by the Shareholder, elect as a Director (to serve until the Company's immediately succeeding annual meeting of shareholders) a new Initial Shareholder Nominee who has been designated by the Shareholder in an additional Initial Shareholder Nominee Notice that has been provided to the Company at least seven (7) days prior to the date of a regular meeting of the Board.

(b) The Shareholder shall provide notice to the Company (the "Initial Shareholder Nominee Notice") as required by Section 5.1(a) above, which notice shall contain the following information: (i) the name of the person it has designated to become a Director (the "Initial Shareholder Nominee"), and (ii) all information required by Regulation 14A and Schedule 14A under the Exchange Act with respect to such Initial Shareholder Nominee.

(c) During the term of this Agreement, the Shareholder shall provide notice to the Company in writing sixty (60) days prior to each meeting of the Company's shareholders at which the class of Directors that includes the Initial Shareholder Nominee is to stand for re-election indicating (i) the name of the person it has designated to become Director (the "Successor Shareholder Nominee" and together with Initial Shareholder Nominee, each a "Shareholder Nominee") and (ii) all information required by Regulation 14A and Schedule 14A under the Exchange Act with respect to such Successor Shareholder Nominee.

(d) The Shareholder shall consult with the Company in connection with the identity of any proposed Shareholder Nominee. In the event the Company is advised in writ-

ing by its outside counsel that a proposed Shareholder Nominee would not be qualified under the Company's Charter or By-laws or any applicable statutory or regulatory standards to serve as a Director, or if the Company otherwise reasonably objects to the proposed Shareholder Nominee, including without limitation because such Shareholder Nominee either (i) is a director or officer of a direct competitor of the Company or (ii) has engaged in any adverse conduct that would require disclosure under Item 7 of Schedule 14A promulgated under the Exchange Act, the Shareholder agrees to withdraw such proposed Shareholder Nominee and nominate a replacement therefor (which replacement would be subject to the requirements of this Section 5.1(d)). Any such objection by the Company must be made no later than one (1) month after the Shareholder first informs the Company of the identity of the proposed Initial Shareholder Nominee; provided, however, that the Company shall in all cases notify the Shareholder of any such objection sufficiently in advance of the date on which proxy materials are mailed by the Company in connection with such election of directors to enable the Shareholder to propose an alternate Shareholder Nominee pursuant to and in accordance with the terms of this Agreement.

(e) During the term of this Agreement the Company agrees to include each Shareholder Nominee to be added to or retained on the Board pursuant to this Agreement in the slate of nominees recommended by the Board to the Company's shareholders for election as Directors and shall use its best efforts to cause the election or reelection of each such Shareholder Nominee to the Board, including soliciting proxies in favor of the election of such persons.

Section 5.2. Resignation of Shareholder Nominee. Unless otherwise agreed by the Company, the Shareholder shall cause the Shareholder Nominee then serving on the Board to offer his resignation from the Board immediately upon the termination of this Agreement pursuant to and in accordance with Section 6.1 hereof.

Section 5.3. Voting. During the term of this Agreement, Parent and the Shareholder agree that:

(a) The Shareholder shall, and shall cause each Shareholder Affiliate to, be present, in person or by proxy, at all meetings of shareholders of the Company so that all Securities having voting rights which are Beneficially Owned by the Shareholder and the Shareholder Affiliates may be counted for the purpose of determining the presence of a quorum at such meetings.

(b) (i) With respect to the election of Directors, the Shareholder shall, and shall cause each Shareholder Affiliate to, vote all Securities Beneficially Owned by the Shareholder and any Shareholder Affiliate in favor of the election of all candidates for Director nominated by the Company's Board (including the Shareholder Nominee) and (ii) with respect to any proposal initiated by a shareholder of the Company relating

to the redemption of the rights issued pursuant to the Rights Agreement or any modification of the Rights Agreement (other than nonbinding precatory resolutions with respect to which subsection (c) hereof shall apply), the Shareholder shall, and shall cause each member of the Shareholder Group to, vote all Securities Beneficially Owned by the Shareholder or any member of the Shareholder Group in accordance with the recommendation of the Board.

(c) With respect to any proposed amendment to the Charter or By-laws which would reasonably have the effect of modifying in any way Section 1, Article Twelfth of the Amended Certificate of Incorporation of the Company dated January 15, 1998, electing that Sections 1145 through 1155 of Title 18 of the Oklahoma General Corporation Law (the "Control Share Acquisition Statute") shall not apply to the Company, or would reasonably cause the Company to become subject to (a) the Control Share Acquisition Statute or (b) any other provisions which are substantially similar to the Control Share Acquisition Statute, the Shareholder Group shall have the right to abstain or vote against such amendment.

(d) During the term of this Agreement, (i) the Shareholder and each member of the Shareholder Group may vote in their sole discretion those shares of Common Stock held by them from time to time that were not acquired as a result of the Conversion of shares of Series D Preferred Stock or otherwise in breach of this Agreement, and (ii) the Shareholder shall, and shall cause each member of the Shareholder Group to, vote all other Securities Beneficially Owned by them that are entitled to vote on such matter in the same proportion (based on total votes) as all Securities voted on any such other matter are voted by the shareholders of the Company other than the Shareholder or any member of the Shareholder Group; provided, however, that the Shareholder and any member of the Shareholder Group may vote any or all of the Securities Beneficially Owned by them in their sole discretion with respect to a vote of the Company's shareholders on any transaction or series of transactions which would, if consummated, constitute a Change in Control of the Company.

(e) At all times the Shareholder Group may exercise in its sole discretion such voting rights as the Series D Preferred Stock may have from time to time pursuant to the Charter and with respect to an amendment to the Charter which would have the effect of modifying the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of such class or series so as to affect the holders thereof adversely.

ARTICLE VI

TERMINATION

Section 6.1. Termination. Unless otherwise agreed in writing by the Shareholder, this Agreement shall terminate upon the earliest to occur of the following:

(a) The Company's failure to pay the stated quarterly dividend on the Series D Preferred Stock in any five (5) quarters during the term of this Agreement.

(b) The Shareholder Group's Beneficial Ownership of Subject Securities (assuming conversion of the Series D Preferred Stock into Common Stock) falling below 10.0% at any time; provided that, if termination occurs pursuant to this clause (b), the provisions of Section 4.1 shall survive until November 26, 2012.

(c) The material breach of this Agreement or the Transaction Agreement by the Company, provided that the Company has not cured the breach within thirty (30) days after receiving notice of such breach, or if cure within such time is not possible, the Company has not made reasonable efforts to cure such breach, provided, further that in no event shall such cure period extend longer than ninety (90) days from the date of first notice of such breach.

(d) Mutual written agreement of the Company, on the one hand, and Parent and the Shareholder, on the other hand, at any time to terminate this Agreement, which termination shall occur at a time to be fixed in such mutual agreement.

(e) The entry by a court having jurisdiction in the premises of (i) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (ii) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of the Company's property, or ordering the winding up or liquidation of the Company's affairs; and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of sixty (60) consecutive days.

(f) The commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Company to the entry of a decree or order for relief in re-

spect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Company, or the filing by the Company of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by the Company to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of the Company's property, or the making by the Company of an assignment for the benefit of creditors, or the admission by the Company in writing of the Company's inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Compliance With Law. Notwithstanding anything to the contrary in this Agreement, no Transfer of Securities shall be deemed to be required or permitted pursuant to this Agreement if such Transfer would (a) result in an adverse effect on the exemptions from the Public Utility Holding Company Act of 1935, as amended, (the "1935 Act") of Parent, the Shareholder or any Shareholder Affiliate or the Company or any subsidiary of the Company, or (b) require regulatory approvals which, individually or in the aggregate with respect to such Transfer, would have a material adverse impact on the Company or any of its subsidiaries or Parent or the Shareholder or any Shareholder Affiliate.

Section 7.2. Regulatory Matters. Following the occurrence of any change in any law, rule, regulation or issuance of any order or interpretation by an administrative, regulatory or judicial body, if the Company believes that the Shareholder's regulatory status as modified by such change or issuance would (a) result in an adverse impact on the exemptions from the 1935 Act of the Company or any of its subsidiaries, or (b) require regulatory approvals which, individually or in the aggregate, would have a material adverse impact on the Company or any of its subsidiaries, then the Company shall have an immediate right to purchase, upon thirty (30) days' written notice, all, or such lesser portion as the Company may determine will nullify such unreasonable restriction, of the Securities Beneficially Owned by the Shareholder Group at a price per share (assuming conversion of all shares of Series D Preferred Stock into Common Stock) equal to the Market Price for the Common Stock on the date that such notice is delivered to the Shareholder; provided that the Shareholder may Transfer all, or such lesser portion as the Company may determine will nullify such unreasonable restriction, of the Securities Beneficially Owned by the Shareholder Group as permitted by Section 4.3

hereof and in compliance with Section 7.1 hereof prior to the expiration of such 30-day period.

Section 7.3. Injunctive Relief. Each party hereto acknowledges that it would be impossible to determine the amount of damages that would result from any breach of any of the provisions of this Agreement and that the remedy at law for any breach, or threatened breach, of any of such provisions would likely be inadequate and, accordingly, agrees that each other party shall, in addition to any other rights or remedies which it may have, be entitled to seek such equitable and injunctive relief as may be available from any court of competent jurisdiction to compel specific performance of, or restrain any party from violating, any of such provisions. In connection with any action or proceeding for injunctive relief, each party hereto hereby waives the claim or defense that a remedy at law alone is adequate and agrees, to the maximum extent permitted by law, to have each provision of this Agreement specifically enforced against him or it, without the necessity of posting bond or other security against him or it, and consents to the entry of injunctive relief against him or it enjoining or restraining any breach or threatened breach of such provisions of this Agreement.

Section 7.4. Successors and Assigns. This Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the Company, on the one hand, and by Parent and the Shareholder, on the other hand, and their respective successors and permitted assigns, and no such term or provision is for the benefit of, or intended to create any obligations to, any other Person. Notwithstanding the foregoing, a purchaser of Subject Securities transferred as permitted by subsections (a)-(c) and (e) of Section 4.3 of this Agreement shall not be a successor or assign of Parent or Shareholder within the meaning of Section 7.4.

Section 7.5. Amendments; Waiver. (a) This Agreement may be amended only by an agreement in writing executed by the parties hereto. Any approval of an amendment of this Agreement upon the part of the Company shall require the approval of a majority of the Independent Directors at a duly convened meeting thereof or all of the Company's directors by written consent thereto.

(b) Either party may waive in whole or in part any benefit or right provided to it under this Agreement, such waiver being effective only if contained in a writing executed by the waiving party. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon breach thereof shall constitute a waiver of any such breach or of any other covenant, duty, agreement or condition, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter. Any waiver of any benefit or right provided to the Company under this Agreement shall require the approval of a majority of the Board and a majority of the Independent Directors at a duly convened meeting thereof or all of the Company's directors by written consent thereto.

Section 7.6. Notices. Except as otherwise provided in this Agreement, all notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, when delivered personally or by courier, three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested), or when received by facsimile transmission if promptly confirmed by one of the foregoing means, as follows:

If to the Company:

ONEOK, Inc.
100 W. Fifth Street
Tulsa, Oklahoma
Attention: Chief Executive Officer
Fax: (918) 588-7961

with a copy to:

ONEOK, Inc.
100 W. Fifth Street
Tulsa, Oklahoma
Attention: General Counsel
Fax: (918) 588-7971

If to the Shareholder:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

If to Parent:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

or to such other address or facsimile number as either party may, from time to time, designate in a written notice given in a like manner.

Section 7.7. APPLICABLE LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF OKLAHOMA WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW.

Section 7.8. Headings. The descriptive headings of the several sections in this Agreement are for convenience only and do not constitute a part of this Agreement and shall not be deemed to limit or affect in any way the meaning or interpretation of this Agreement.

Section 7.9. Integration. This Agreement and the other writings referred to herein or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to its subject matter other than those expressly set forth or referred to herein.

Section 7.10. Severability. If any term or provision of this Agreement or any application thereof shall be declared or held invalid, illegal or unenforceable, in whole or in part, whether generally or in any particular jurisdiction, such provision shall be deemed amended to the extent, but only to the extent, necessary to cure such invalidity, illegality or unenforceability, and the validity, legality and enforceability of the remaining provisions, both generally and in every other jurisdiction, shall not in any way be affected or impaired thereby.

Section 7.11. Consent to Jurisdiction. In connection with any suit, claim, action or proceeding arising out of this Agreement, Parent, the Shareholder and the Company each hereby consent to the in personam jurisdiction of the United States federal courts and state courts located in Tulsa, Oklahoma; Parent, the Shareholder and the Company each agree that service in the manner set forth in Section 7.6 hereof shall be valid and sufficient for all purposes; and Parent, the Shareholder and the Company each agree to, and irrevocably waive any objection based on forum non conveniens or venue, appear in any United States federal court state court located in Tulsa, Oklahoma.

Section 7.12. Counterparts. This Agreement may be executed by the parties hereto in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company, Parent and the Shareholder have caused this Agreement to be duly executed by their respective authorized officers as of the date set forth at the head of this Agreement.

ONEOK, INC.

By: /s/ David L. Kyle

Name: David L. Kyle
Title: Chairman, President and Chief
Executive Officer

WESTAR ENERGY, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President and Chief Executive
Officer

WESTAR INDUSTRIES, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President

REGISTRATION RIGHTS AGREEMENT

among

ONEOK, INC.,
an Oklahoma corporation,

WESTAR ENERGY, INC.,
a Kansas corporation

and

WESTAR INDUSTRIES, INC.,
a Kansas Corporation

Dated as of January 9, 2003

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REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT (this "Agreement"), dated as of January 9, 2003, among Westar Energy, Inc., a Kansas corporation (the "Parent"), Westar Industries, Inc., a Delaware corporation and a wholly owned subsidiary of Parent (together with the Parent, the "Shareholder"), and ONEOK, Inc., an Oklahoma corporation (the "Company").

WHEREAS, the Company and the Shareholder have entered into a Transaction Agreement, dated as of January 9, 2003 (the "Transaction Agreement") pursuant to which, among other things, (i) the Company has agreed to use commercially reasonable efforts to make a public offering (the "Offering") of shares of the common stock, par value \$0.01 per share, of the Company (the "Common Stock") and such other securities as the Company may offer, (ii) the Company will use a portion of the proceeds of the Offering to repurchase (the "Repurchase") a portion of the shares of the Series A Convertible Preferred Stock of the Company, par value \$0.01 per share (the "Series A Preferred Stock") held by the Shareholder and (iii) the Company will modify the terms of the Series A Preferred Stock by exchanging the (the "Exchange") shares of newly issued \$0.925 Series D Non-Cumulative Convertible Preferred Stock of the Company, par value \$0.01 per share (the "Series D Preferred Stock") for all the shares of Series A Preferred Stock held by Shareholder not repurchased by the Company in the Repurchase;

WHEREAS, the Company and Parent are parties to a Registration Rights Agreement (the "Prior Registration Rights Agreement"), dated as of November 26, 1997, and desire to terminate the Prior Registration Rights Agreement and replace it in its entirety with this Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, representations, warranties and agreements contained herein, the Company and the Shareholder hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Defined Terms. In addition to other terms defined elsewhere in this Agreement, as used in this Agreement, the following capitalized terms have the respective meanings set forth below:

"Affiliate" shall mean, with respect to any person, any other person that directly or indirectly through one or more intermediaries controls or is controlled by or is under

common control with such person. For the purposes of this definition, "control" when used with respect to any particular person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Business Day" shall mean any day, other than a Saturday, Sunday or a day on which banking institutions in Tulsa, Oklahoma or New York, New York are authorized or obligated by law or executive order to close.

"Convertible Preferred Stock" shall mean the Series D Preferred Stock.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Person" shall mean any individual, corporation, company, partnership, joint venture, trust, group (as such term is used in Rule 13d-5 under the Exchange Act), business association, government or political subdivision thereof, governmental body or other entity.

"SEC" shall mean the United States Securities and Exchange Commission or any other United States federal agency at the time administering the Securities Act or the Exchange Act, as applicable, whichever is the relevant statute.

"Shareholder Agreement" shall mean the Shareholder Agreement, dated as of the date hereof, among the Company, Parent and the Shareholder.

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

"Shares" shall mean shares of Common Stock or Convertible Preferred Stock now held by the Shareholder and all shares of Common Stock issued or issuable upon conversion of the Convertible Preferred Stock now held by the Shareholder and shares of Common Stock issued or issuable, directly or indirectly, with respect to such shares of Common Stock by way of a stock dividend, stock split or combination of shares.

Section 1.2. Other Defined Terms. The following terms shall have the meanings defined for such terms in the section set forth below:

Term -----	Location -----
Term ----	Location -----
Agreement.....	Preamble
Blackout Period.....	4.2(b)
Claims.....	4.6
Common Stock.....	Recitals
Company.....	Preamble
Effective Period.....	4.4(a)
Exchange.....	Recitals
Inspectors.....	4.4(a)
Lock-up Notice.....	4.2
Maximum Number.....	4.1(a)
Offering.....	Recitals
Parent.....	Preamble
Piggy-Back Request.....	4.1(a)
Piggy-Back Shares.....	4.1(a)
Pre-emptive Notice.....	4.2
Prior Registration Rights Agreement.....	Recitals
Records.....	4.4(a)
Registered Shares.....	4.4(a)
Registration.....	2.3
Registration Expenses.....	4.5
Repurchase.....	Recitals
Securities Act.....	4.10(a)
Series A Preferred Stock.....	Recitals
Series D Preferred Stock.....	Recitals
Shareholder.....	Preamble
Shelf Registration Statement.....	2.3
Shelf Takedown.....	4.2
Standoff Period.....	4.2
Subject Offering.....	4.1(a)
Transaction Agreement.....	Recitals

Section 1.3. General. Unless the context otherwise requires, references in this Agreement to any "section" or "article" shall mean a section or article of this Agreement, as the case may be, and the terms "hereof," "hereunder" and

"hereto" and words of similar

meaning shall mean this Agreement in its entirety and not any particular provisions of this Agreement. Unless the context otherwise requires, the terms defined herein include the singular as well as the plural.

Unless the context otherwise requires, each reference herein to the Securities Act, the Exchange Act or Rule 144 under the Securities Act (or any other rule, regulation or form promulgated under either such statute) shall be deemed to mean, as of any time, such statute, rule, regulation or form as then in effect, after all amendments thereto, or, if not then in effect, any successor statute, rule, regulation or form as then in effect, after all amendments thereto.

Section 1.4. Headings. The descriptive headings of the several sections and paragraphs of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

ARTICLE II

TERMINATION OF PRIOR REGISTRATION RIGHTS AGREEMENT; EFFECTIVENESS; SHELF REGISTRATION

Section 2.1. Termination. The Company and Parent agree that, effective immediately upon the consummation of the Repurchase and the Exchange, the Prior Registration Rights Agreement is hereby terminated and is of no further force and effect

Section 2.2. Effectiveness. This Agreement shall become effective immediately upon the consummation of the Repurchase and the Exchange and shall remain in effect until terminated in accordance with Section 5.1.

Section 2.3. Shelf Registration. Within sixty (60) days after the consummation of the Repurchase and the Exchange, the Company shall file a registration statement on Form S-3 (the "Shelf Registration Statement") providing for the registration (the "Registration") of the sale of the Shares and shall use commercially reasonable efforts to have the Shelf Registration Statement declared effective under the Securities Act as promptly as practicable after filing and shall use commercially reasonable efforts to maintain the effectiveness of the Shelf Registration Statement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.1. Representations and Warranties of Parent and the Shareholder. Each of Parent and the Shareholder hereby represents and warrants to the Company (i) that it has been duly organized and is an existing corporation in good standing as a corporation under the laws of its state of incorporation, (ii) that it has all requisite corporate power and authority and has received all requisite approvals (including any necessary approval of its Board of Directors) to complete the transactions contemplated hereby and (iii) that this Agreement has been duly authorized, executed and delivered by Parent and the Shareholder and, assuming due authorization and valid execution and delivery by the Company, constitutes a valid and binding agreement of Parent and the Shareholder enforceable against Parent and the Shareholder in accordance with its terms.

Section 3.2. Representations and Warranties of the Company. The Company hereby represents and warrants to the Shareholder (i) that it has been duly organized and is an existing corporation in good standing under the laws of the State of Oklahoma, (ii) that it has all requisite corporate power and authority, and has received all requisite approvals (including any necessary approval of its Board of Directors) to complete the transactions contemplated hereby and (iii) this Agreement has been duly authorized, executed and delivered by the Company and, assuming due authorization and valid execution and delivery by Parent and the Shareholder, constitutes a valid and binding agreement enforceable against the Company in accordance with its terms.

ARTICLE IV

REGISTRATION RIGHTS; OFFERINGS

Section 4.1. "Piggy-Back" Offerings. If, at any time following the consummation of the Repurchase and the Exchange, the Company proposes to make an underwritten offering of Common Stock (a "Subject Offering") the Company shall give prompt written notice to the Shareholder of its intention to do so. Such notice shall include an estimate of the aggregate offering price of the total shares of Common Stock proposed to be offered. Upon the written direction of the Shareholder (a "Piggy-Back Request"), given within fifteen (15) business days following the receipt by the Shareholder of any such written notice, the Company shall include in such Subject Offering, subject to the provisions of this

Section 4.1, such numbers of shares of Common Stock as shall be set forth in such Piggy-Back Request (the "Piggy-Back Shares").

(a) In the event that the Company proposes to make a Subject Offering and a nationally recognized independent investment banking firm selected by the Company to act as managing underwriter thereof reasonably and in good faith shall have advised the Company or the Shareholder in writing that, in its opinion, the inclusion in the Subject Offering of some or all of the Piggy-Back Shares sought to be sold by the Shareholder creates a substantial risk that the price per share of Common Stock that the Company will derive from such sale will be materially and adversely affected or that the number of shares of Common Stock sought to be sold (including any shares of Common Stock sought to be sold at the request of the Company and those sought to be sold by the Shareholder) is a greater number than can reasonably be sold, the Company shall include in such Subject Offering such number of shares of Common Stock as the Company, and the Shareholder are so advised can be sold in such offering without such an effect (the "Maximum Number") as follows and in the following order of priority: (A) first, such number of shares of Common Stock as the Company intended to be sold by the Company and (B) second, if and to the extent that the number of shares of Common Stock to be sold under clause (A) is less than the Maximum Number, such number of shares of Common Stock as the Shareholder shall have intended to sell which, when added to the number of shares of Common Stock to be sold under clause (A), is less than or equal to the Maximum Number.

(b) Notwithstanding any request under this Section 4.1, the Shareholder may elect in writing to withdraw its request for inclusion of its Piggy-Back Shares in any offering; provided, however, that (i) such request must be made in writing prior to the public announcement of such offering and (ii) such withdrawal shall be irrevocable and, after making such withdrawal, the Shareholder shall no longer have any right to include Piggy-Back Shares in the offering as to which such withdrawal was made.

(c) If, as a result of the proration provisions of this Section 4.1, the Shareholder shall not be entitled to include all Piggy-Back Shares in an offering that the Shareholder has requested to be included, the Shareholder may elect to withdraw his request to include Piggy-Back Shares in such offering or may reduce the number requested to be included, provided that the same limitations in subsection (c) shall apply.

Section 4.2. Shelf Takedowns. Each of the Company and the Shareholder agree that, in the event that the Company or the Shareholder intends to effect an underwritten offering of the Common Stock or Convertible Preferred Stock registered on a shelf registration statement pursuant to Rule 415 under the Securities Act (a "Shelf Takedown"), then it shall give the other party at least five (5), but not more than thirty (30) Business Days written notice prior to filing the prospectus supplement with respect to such Shelf Takedown

(a "Lock-up Notice"). In the event that the Company receives a Lock-up Notice from the Shareholder, the Company may, within five (5) Business Days of receipt of a Lock-up Notice, give the Shareholder written notice (a "Pre-emptive Notice") that the Company will use commercially reasonable efforts to promptly effect a Shelf Takedown. The Company shall have thirty (30) Business Days from the date of the Pre-emptive Notice in which to effect a Shelf Takedown (the "Standoff Period"). If the Company does not effect a Shelf Takedown within the Standoff Period, the Shareholder may effect a Shelf Takedown within fifteen (15) Business Days thereafter. If (A) the Company delivers a Lock-up Notice or the Company delivers a Pre-emptive Notice, in each case to the Shareholder, and effects a Shelf Takedown within the time period specified in that notice, or (B) the Shareholder delivers a Lock-up Notice and the Shareholder effects a Shelf Takedown as specified in the Lock-up Notice, then, the Shareholder, in the event of the circumstances described in clause (A), shall not, during the period beginning on the date of the Lock-up Notice or Pre-emptive Notice, as the case may be, and ending up to ninety (90) days after the date of the prospectus supplement with respect to the Shelf Takedown, or such shorter period as may be agreed to by the parties, or the Company, in the event of the circumstances described in clause (B), shall not, during the period beginning on the date of the Lock-up Notice and ending up to ninety (90) days after the date of the prospectus supplement with respect to the Shelf Takedown, or such shorter period as may be agreed to by the parties, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable for Common Stock or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the issuance by the Company of shares of Common Stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date of the prospectus supplement or otherwise pursuant to the Company's then existing employee or director benefit plans, (B) the granting of any rights to acquire shares of Common Stock pursuant to the Company's then existing employee benefit plans, (C) the filing and effectiveness of the Shelf Registration Statement or (D) sales of Piggy-Back Shares by the Shareholder pursuant to the exercise of rights granted by Section 4.1(a). The Company may not deliver more than one (1) Pre-emptive Notice in any 12-month period.

(a) Anything in this Agreement to the contrary notwithstanding, the Company shall be entitled to postpone and delay, for a reasonable period of time, not to exceed ninety (90) days in the case of clauses (i) and (ii) below, or thirty (30) days in the case of clause (iii) below (each, a "Blackout Period"), any Shelf Takedown proposed by the Shareholder if the Company shall determine that any such Shelf Takedown would (i) in the good

faith judgment of the Board of Directors of the Company, unreasonably impede, delay or otherwise interfere with any pending or contemplated financing (other than a Shelf Takedown), acquisition, corporate reorganization or other similar transaction involving the Company, (ii) based upon advice from the Company's investment banker or financial advisor, adversely affect any pending or contemplated offering or sale of any class of securities by the Company (other than Common Stock pursuant to a Shelf Takedown) or (iii) in good faith judgment of the Board of Directors of the Company require disclosure of material non-public information (other than information relating to an event described in clause (i) or (ii) of this subsection (b)) which, if disclosed at such time, would be materially harmful to the interests of the Company and its stockholders; provided, however, that in the case of a Blackout Period pursuant to clause (i) or (ii) above, the Blackout Period shall earlier terminate upon the completion or abandonment of the relevant securities offering or sale, financing, acquisition, corporate reorganization or other similar transaction; and provided, further, that in the case of a Blackout Period pursuant to clause (iii) above, the Company shall give written notice of its determination to postpone or delay any Shelf Takedown and the Blackout Period shall earlier terminate upon public disclosure by the Company or public admission by the Company of such material non-public information or such time as such material non-public information shall be publicly disclosed without breach of the last sentence of this subsection (b); and provided, further, that in the case of a Blackout Period pursuant to clause (i), (ii) or (iii) above, the Company shall furnish to the Shareholder a certificate of an executive officer of the Company to the effect that an event permitting a Blackout Period has occurred. Notwithstanding anything herein to the contrary, the Company shall not exercise pursuant to clause (i) or (ii) of the preceding sentence the right to postpone or delay a Shelf Takedown more than twice in any twelve (12) month period. Upon notice by the Company to the Shareholder of any such determination, the Shareholder covenants that it shall keep the fact of any such notice strictly confidential, and, in the case of a Blackout Period pursuant to clause (iii) above or Section 4.2(c) below, promptly halt any offer, sale, trading or transfer by it or any of its Affiliates of any Common Stock for the duration of the Blackout Period set forth in such notice (or until such Blackout Period shall be earlier terminated in writing by the Company) and promptly halt any use, publication, dissemination or distribution of any prospectus supplement with respect to such Shelf Takedown, and any amendment or supplement thereto by it and any of its Affiliates for the duration of the Blackout Period set forth in such notice (or until such Blackout Period shall be earlier terminated in writing by the Company) and, if so directed by the Company, will deliver to the Company any copies then in such Shareholder's possession of such prospectus supplement.

(b) Anything in this Agreement to the contrary notwithstanding, in case the Shareholder has initiated, but not priced, a Shelf Takedown, if a transaction of the type specified in Section 4.2(b)(i) has not resulted from actions taken by the Company, the Company

may cause such Shelf Takedown to be postponed for a reasonable period of time, not to exceed the Blackout Period applicable to Section 4.2(b)(i).

(c) The Shareholder may not effect more than two (2) Shelf Takedowns in any twelve (12) month period and may not effect a Shelf Takedown at any time after the Company has delivered notice of the redemption of the Convertible Preferred Stock to the Shareholder other than a Shelf Takedown that was initiated prior to delivery of such notice of redemption and delayed as a result of subsection (a), (b) or (c) of this Section 4.2.

Section 4.3. Intentionally Omitted.

Section 4.4. Registration Procedures. In connection with the Shelf Registration Statement and in accordance with the intended method or methods of distribution of the Shares as described in such registration statement, the Company shall, as soon as reasonably practicable (and, in any event, subject to the terms of this Agreement, at or before the time required by applicable laws and regulations):

(i) Prepare and file with the SEC a registration statement on an appropriate registration form of the SEC, with respect to such Shares, which form shall be selected by the Company with the Shareholder's reasonable consent, and use commercially reasonable efforts to cause such registration statement to become and remain effective promptly; provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company will furnish to one counsel selected by the Shareholder, and the sales or placement agent or agents, if any, for the Shares and the managing underwriter or underwriters, if any, draft copies of all such documents proposed to be filed at least seven (7) days prior to such filing, which documents will be subject to the reasonable review of the Shareholder, the sales or placement agent or agents, if any, for the Shares and the managing underwriter or underwriters, if any, and their respective agents and representatives and (x) the Company will not include in any registration statement information concerning or relating to the Shareholder to which the Shareholder shall reasonably object in writing (unless the inclusion of such information is required by applicable law or the regulations of any securities exchange to which the Company may be subject) and (y) the Company will not file any Shelf Registration Statement or amendment thereto or any prospectus or any supplement thereto to which the Shareholder may reasonably object in writing;

(ii) Furnish without charge to the Shareholder, the sales or placement agent or agents, if any, and the managing underwriter or underwriters, if any, such number of copies of such registration statement and of each amendment and supplement thereto (in each case including all exhibits), such number of copies of the summary, preliminary, final, amended or supplemented prospectuses included in such registration

statement in conformity with the requirements of the Securities Act and any regulations promulgated thereunder and (upon the reasonable request by the Shareholder) any documents incorporated therein by reference and such other documents as the Shareholder may reasonably request in order to facilitate the public sale or other disposition of such Shares (the Company hereby consenting to the use in accordance with all applicable law of the prospectus or any amendment or supplement thereto by the Shareholder in connection with the offering and sale of the Shares covered by the prospectus or any amendment or supplement thereto);

(iii) Use commercially reasonable efforts to keep such registration statement effective for the term of this Agreement (the "Effective Period"); prepare and file with the SEC such amendments, post-effective amendments and supplements to the registration statement and the prospectus as may be necessary to maintain the effectiveness of the registration for the Effective Period and to cause the prospectus (and any amendments or supplements thereto) to be filed pursuant to Rules 424 and 430A under the Securities Act and/or any successor rules that may be adopted by the SEC, as such rules may be amended from time to time; and comply with the provisions of the Securities Act with respect to the disposition of all Shares covered by such registration statement during the applicable period in accordance with the intended method or methods of distribution thereof, as specified in writing by the Shareholder;

(iv) Except during any Blackout Period, make available for inspection by the Shareholder or by any underwriter, attorney, accountant or other agent retained by the Shareholder (including any attorney retained by any underwriter) (collectively, the "Inspectors") financial and other records and pertinent corporate documents of the Company (collectively, the "Records"), provide the Inspectors with opportunities to discuss the business of the Company with its officers and provide opportunities to discuss the business of the Company with the independent public accountants who have certified its most recent annual financial statements, in each case to the extent customary for transactions of the size and type intended, as specified by the Shareholder, but only to the extent reasonably necessary to enable the Shareholder or any underwriter retained by the Shareholder to conduct a "reasonable investigation" for purposes of Section 11(a) of the Securities Act. Records which the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspector unless (A) the disclosure of such Records is necessary to avoid or correct a misstatement of a material fact or omission to state a material fact in the Registration, (B) the disclosure of such Records is required by any court or governmental body with jurisdiction over the Shareholder or Inspector or (C) all of the information contained in such Records has been made generally available to the public. The Shareholder agrees that it will, upon learning that disclosure of such Records is

sought in a court of competent jurisdiction or by any governmental body, promptly give prior notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of those Records deemed confidential;

(v) If requested by the Shareholder, promptly incorporate in a prospectus, prospectus supplement or post-effective amendment such information as the Shareholder reasonably specifies should be included therein, including, without limitation, information relating to the planned distribution of Shares, the number of Shares being sold by the Shareholder, the name and description of the Shareholder, the offering price of such Shares and any discount, commission or other compensation payable in respect of the Shares being sold, the purchase price being paid therefor to the Shareholder and information with respect to any other terms of the underwritten offering of the Shares to be sold in such offering, except to the extent that the Company is advised in a written opinion of outside counsel that the inclusion of such information is reasonably likely to violate applicable securities laws; and make all required filings of such prospectus, prospectus supplement or post-effective amendment promptly after notification of the matters to be incorporated in such prospectus, prospectus supplement or post-effective amendment;

(vi) If requested by the Shareholder, use commercially reasonable efforts to participate in and assist with a "road show" and other customary marketing efforts in connection with the sale of Shares pursuant to such registration statement, at such times and in such manner as the Company and the Shareholder mutually may determine (and as do not unreasonably interfere with the Company's operations);

(vii) Use commercially reasonable efforts to register or qualify the Shares covered by such registration statement under such other securities or "blue sky" laws of such jurisdictions in the United States as the Shareholder shall reasonably request, keep such registrations or qualifications in effect for so long as the registration statement remains in effect, and do any and all other acts and things which may be reasonably necessary to enable the Shareholder or any underwriter to consummate the public sale or other disposition of the Shares in such jurisdictions; provided, however, that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified; to execute or file any general consent to service of process under the laws of any jurisdiction; to take any action that would subject it to service of process in suits other than those arising out of the offer and sale of the Shares covered by the registration statement; or to subject itself to taxation in any jurisdiction where it would not otherwise be obligated to do so, but for this paragraph (vii);

(viii) Use commercially reasonable efforts to cause the Shares to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Shareholder to consummate the public sale or other disposition of the Shares;

(ix) Use commercially reasonable efforts to cause all Shares covered by such registration statement to be approved for trading on a national interdealer quotation system or listed on the securities exchanges on which similar securities issued by the Company are then listed or traded, if permitted by the rules of such securities exchanges, prior to the sale of such Shares by the Shareholder;

(x) Promptly notify the Shareholder, at any time when a prospectus relating to any of the Shares covered by such registration statement is required to be delivered under the Securities Act, of the Company's becoming aware that the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and, at the request of the Shareholder, promptly prepare and furnish to the Shareholder a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to the purchasers of such Shares, such prospectus shall not include 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 in the light of the circumstances then existing;

(xi) Promptly notify the Shareholder, the sales or placement agent or agents, if any, for the Shares and the managing underwriter or underwriters, if any, thereof, after becoming aware thereof, when the registration statement or any related prospectus or any amendment or supplement has been filed, and, with respect to the registration statement or any post-effective amendment, when the same has become effective, (A) of any request by the SEC for amendments or supplements to the registration statement or the related prospectus or for additional information, (B) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings for that purpose or (C) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation of any proceeding for such purpose;

(xii) During the Effective Period, use commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of the registration statement or any post-effective amendment thereto;

(xiii) Permit the Shareholder if, in its sole judgment exercised in good faith, it believes it might be deemed to be a controlling person of the Company, to participate in the preparation of such registration statement and all discussions between the Company and the SEC or its staff with respect to such registration statement, and to require the insertion therein of material, furnished to the Company in writing, which in the reasonable judgment of the Shareholder should be included;

(xiv) Deliver promptly to the Shareholder, upon the Shareholder's request, copies of all correspondence between the SEC and the Company, its counsel or auditors and all memoranda relating to discussions with the SEC or its staff with respect to the registration statement and permit the Shareholder to do such investigation, with respect to information contained in or omitted from the registration statement, as it deems reasonably necessary. The Shareholder agrees that it will use its best efforts not to interfere unreasonably with the Company's business when conducting any such investigation;

(xv) Provide a transfer agent and registrar for all such Shares covered by such registration statement not later than the effective date of such registration statement, which transfer agent and registrar may be the Company, subject to any applicable law or regulations;

(xvi) Cooperate with the Shareholder and the managing underwriter or underwriters, if any, to facilitate the timely preparation and delivery of certificates representing such Shares to be sold under the registration statement, which certificates shall not bear any restrictive legends except as required by law; and, in the case of an underwritten offering, enable such Shares to be in such denominations and registered in such names as the managing underwriter or underwriters, if any, may request in writing at least two (2) business days prior to any sale of the Shares to the underwriters;

(xvii) Enter into such agreements (including, if the offering is an underwritten offering, an underwriting agreement) as are customary in transactions of such kind and take such other actions as are reasonably necessary in connection therewith in order to expedite or facilitate the disposition of such Shares; and (A) make such representations and warranties with respect to the registration statement, post-effective amendment or supplement thereto, prospectus or any amendment or supplement thereto, and documents incorporated by reference, if any, to the managing underwriter or underwriters, if any, of the Shares and, at the option of the Shareholder, make to and for the benefit of such Shareholder the representations, warranties and covenants of the Company which are being made to the underwriters, in form, substance and scope as are customarily made by the Company in connection with offerings of Shares in transactions of such kind (representations and warranties by the participating holders shall also be

made as are customary in agreements of that type); provided that the Company shall not be required to make any representations or warranties with respect to information specifically provided by the Shareholder for inclusion in the registration documents; (B) obtain an opinion of counsel to the Company (which counsel may be internal counsel for the Company unless the managing underwriter or underwriters shall otherwise reasonably request) in customary form and covering matters of the type customarily covered by such an opinion, addressed to such managing underwriter or underwriters, if any, and to the Shareholder and dated the date of the closing of the sale of the Shares relating thereto; (C) obtain a "comfort" letter or letters from the independent certified public accountants who have certified the Company's most recent audited financial statements that are incorporated by reference in the registration statement which is addressed to the Shareholder and the managing underwriter or underwriters, if any, and is dated the date of the prospectus used in connection with the offering of such Shares and/or the date of the closing of the sale of such Shares relating thereto, such letter or letters to be in customary form and covering such matters of the type customarily covered by "comfort" letters of such type; (D) deliver such documents and certificates as may be reasonably requested by the Shareholder and the managing underwriter or underwriters, if any, of the Shares to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company; and (E) undertake such obligations relating to expense reimbursement, indemnification and contribution as provided in Sections 4.5 and 4.6 hereof; and

(xviii) Comply with all applicable rules and regulations of the SEC and generally make available to its security holders an earnings statement (which need not be audited), as soon as reasonably practicable but in no event later than ninety (90) days after the end of the period of twelve (12) months commencing on the first day of any fiscal quarter next succeeding each sale by the Shareholder of Shares which have been registered pursuant to this Agreement (the "Registered Shares") after the date hereof, which earnings statement shall cover such twelve (12) month period and shall satisfy the provisions of Section 11(a) of the Securities Act and may be prepared in accordance with Rule 158 under the Securities Act.

(a) In the event that the Company would be required, pursuant to Section 4.4(a)(xi)(D) above, to notify the Shareholder, the sales or placement agent or agents, if any, for the Shares and the managing underwriter or underwriters, if any, thereof, the Company shall, subject to the provisions of Section 4.2(b) hereof, as promptly as practicable, prepare and furnish to the Shareholder, to each placement or sales agent, if any, and to each underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of Registered Shares, such prospectus shall 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. The Shareholder agrees that, upon receipt of any notice from the Company pursuant to Section 4.4(a)(xi)(D) hereof, the Shareholder shall, and shall use its best efforts to cause any sales or placement agent or agents for the Shares and the underwriters, if any, thereof, to forthwith discontinue disposition of the Shares until such person shall have received copies of such amended or supplemented prospectus and, if so directed by the Company, to destroy or to deliver to the Company all copies, other than permanent file copies, then in its possession of the prospectus (prior to such amendment or supplement) covering such Shares as soon as practicable after the Shareholder's receipt of such notice.

(b) The Shareholder shall furnish to the Company in writing such information regarding the Shareholder and its intended method of distribution of the Shares as the Company may from time to time reasonably request in writing, but only to the extent that such information is required in order for the Company to comply with its obligations under all applicable securities and other laws and to ensure that the prospectus relating to such Shares conforms to the applicable requirements of the Securities Act and the rules and regulations thereunder. The Shareholder shall notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished by the Shareholder to the Company or of the occurrence of any event, in either case as a result of which any prospectus relating to the Shares contains or would contain an untrue statement of a material fact regarding the Shareholder or its intended method of distribution of such Shares or omits to state any material fact regarding the Shareholder or its intended method of distribution of such Shares required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and promptly furnish to the Company any additional information required to correct and update any previously furnished information or required so that such prospectus shall not contain, with respect to the Shareholder or the distribution of the Shares, 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 light of the circumstances under which they were made, not misleading.

(c) In the case of a registration or Subject Offering under Section 4.1 if the Company has determined to enter into an underwriting agreement in connection therewith or in the case of any Shelf Takedown, all Shares to be included in such registration shall be subject to an underwriting agreement and no person may participate in such registration unless such person agrees to sell such person's securities on the basis provided therein and completes and executes all questionnaires, indemnities, underwriting agreements and other document (other than powers of attorney) which must be executed in connection therewith, and provides

such other information to the Company or the underwriter as may be necessary to register the Shareholder's Shares.

Section 4.5. Registration Expenses. Except as set forth below, the Company agrees to bear and to pay, or cause to be paid, promptly upon request being made therefor, all expenses incident to the Company's performance of its obligation to file the Shelf Registration Statement and to register for the shares for sale or compliance with this Agreement, including, without limitation: (a) all fees and expenses in connection with the qualification of the Registered Shares for offering and sale under state securities or "blue sky" laws referred to in Section 4.4(a)(vii) hereof, including reasonable fees and disbursements of counsel for any placement or sales agent or underwriter in connection with such qualifications, (b) all expenses relating to the preparation, printing, distribution and reproduction of the registration statement, each prospectus included therein or prepared for distribution pursuant hereto, each amendment or supplement to the foregoing, the certificates representing the Shares and all other documents relating hereto, (c) the costs and charges of any escrow agent, transfer agent, registrar, any custodian or attorney-in-fact appointed to act on behalf of the Shareholder (including, without limitation, all salaries and expenses of the Company's officers and employees performing legal or accounting duties), (d) fees, disbursements and expenses of the Company's counsel and its other advisors and experts and independent certified public accountants of the Company (including the expenses of any opinions or "comfort" letters required by or incident to such performance and compliance) and (e) the fees and expenses incurred in connection with the listing of the Shares on The New York Stock Exchange, Inc. and any other stock exchange or national securities exchange on which Shares shall at such time be listed (collectively, the "Registration Expenses"). To the extent that any Registration Expenses are incurred, assumed or paid by the Shareholder, any sales or placement agent or agents for the Shares and the underwriters, if any, thereof, in connection with the filing of the Shelf Registration Statement and the registration of the Shares for sale, the Company shall reimburse such person for the full amount of the Registration Expenses so incurred, assumed or paid promptly after receipt of a request therefor. The Shareholder shall pay all Registration Expenses with respect to any Shelf Takedown effected by the Shareholder and shall pay its pro rata share of the Registration Expenses for any Subject Offering in which the Shareholder has requested that Piggy-Back Shares be included. The Shareholder shall pay all underwriting discounts and commissions and any capital gains, income or transfer taxes, if any, attributable to the sale of the Shares.

Section 4.6. Indemnification; Contribution. Indemnification by the Company. The Company shall, and it hereby agrees to, indemnify and hold harmless Parent, the Shareholder, and each person who participates as a placement or sales agent or as an underwriter in any offering or sale of the Shares, against any losses, claims, damages or liabilities to which Parent, the Shareholder or such agent or underwriter may become subject,

insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) (collectively, "Claims") arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any registration statement, or any preliminary or final prospectus contained therein, or any amendment or supplement thereto, or any document incorporated by reference therein, or arise out of or are based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and the Company shall, and it hereby agrees to, reimburse Parent, the Shareholder or any such agent or underwriter for any legal or other out-of-pocket expenses reasonably incurred by them in connection with investigating or defending any such Claims; provided, however, that the Company shall not be liable to any such person in any such case to the extent that any such Claims arise out of or are based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, or preliminary or final prospectus, or amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by Parent, the Shareholder or any agent, underwriter or representative of Parent or the Shareholder expressly for use therein, or by Parent or the Shareholder's failure to furnish the Company, upon request, with the information with respect to Parent, the Shareholder, or any agent, underwriter or representative of Parent or the Shareholder, or Parent or the Shareholder's intended method of distribution, that is the subject of the untrue statement or omission or if the Company shall sustain the burden of proving that Parent, the Shareholder or such agent or underwriter sold securities to the person alleging such Claims without sending or giving, at or prior to the written confirmation of such sale, a copy of the applicable prospectus (excluding any documents incorporated by reference therein) or of the applicable prospectus, as then amended or supplemented (excluding any documents incorporated by reference therein), if the Company had previously furnished copies thereof to Parent or the Shareholder or such agent or underwriter, and such prospectus corrected such untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement.

(a) Indemnification by the Shareholder and Any Agents or Underwriters. Parent and the Shareholder shall, and hereby agrees, severally and not jointly, to (i) indemnify and hold harmless the Company, its directors, officers, employees and controlling persons, if any, and each underwriter, its partners, officers, directors, employees and controlling persons, if any, in any offering or sale of Shares, against any Claims to which the Company, its directors, officers, employees and controlling persons, if any, may become subject, insofar as such Claims (including any amounts paid in settlement as provided herein), or actions or proceedings in respect thereof, arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in such registration statement, or any preliminary or final prospectus contained therein, or any amendment or supplement thereto, or any document incorporated by reference therein, or arise out of or are based upon any omission or alleged

omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by Parent or the Shareholder or such agent or underwriter (as the case may be) expressly for use therein and (ii) reimburse the Company for any legal or other out-of-pocket expenses reasonably incurred by the Company in connection with investigating or defending any such Claim.

(b) Notice of Claims, Etc. Promptly after receipt by an indemnified party under Section 4.6 (a) or (b) above of written notice of the commencement of any action or proceeding for which indemnification under Section (a) or (b) above may be requested, such indemnified party shall, without regard to whether a claim in respect thereof is to be made against an indemnifying party pursuant to the indemnification provisions of, or as contemplated by, this Section 4.6, notify such indemnifying party and the underwriter in writing of the commencement of such action or proceeding; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party in respect of such action or proceeding on account of the indemnification provisions of or contemplated by Section 4.6(a) or 4.6(b) hereof unless the indemnifying party was materially prejudiced by such failure of the indemnified party to give such notice, and in no event shall such omission relieve the indemnifying party from any other liability it may have to such indemnified party. In case any such action or proceeding shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, unless in the reasonable opinion of outside counsel to the indemnified party a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, such indemnifying party shall be entitled to participate therein and, to the extent that it shall determine, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, such indemnifying party shall not be liable to such indemnified party for any legal or any other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation (unless such indemnified party reasonably objects to such assumption on the grounds that there may be defenses available to it which are different from or in addition to the defenses available to such indemnifying party, in which event the indemnified party shall have the right to control its defense and shall be reimbursed by the indemnifying party for the expenses incurred in connection with retaining one separate counsel). If the indemnifying party is not entitled to, or elects not to, assume the defense of a claim, it will not be obligated to pay the fees and expenses of more than one counsel for each indemnified party with respect to such claim. The indemnifying party will not be subject to any liability for any settlement made without its consent, which consent shall not be unreasonably withheld or delayed. No indemnifying party shall, without the prior

written consent of the indemnified party, compromise or consent to entry of any judgment or enter into any settlement agreement with respect to any action or proceeding in respect of which indemnification is sought under Section 4.6(a) or (b) (whether or not the indemnified party is an actual or potential party thereto), unless such compromise, consent or settlement includes an unconditional term given by the claimant or plaintiff to the indemnified party of a release from all liability in respect of such claim or litigation and does not subject the indemnified party to any injunctive relief or other equitable remedy.

(c) Contribution. Parent, the Shareholder and the Company agree that if, for any reason, the indemnification provisions contemplated by Section 4.6(a) or 4.6(b) hereof are unavailable to or are insufficient to hold harmless an indemnified party in respect of any Claims referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such Claims in such proportion as is appropriate to reflect the relative fault of, and benefits derived by, the indemnifying party and the indemnified party, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or by such indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The relative benefit derived by the parties shall be determined by reference to the fact that the Company entered into the Prior Registration Rights Agreement to induce Parent to engage in the transaction in which the Shares were acquired. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.6(d) were determined (i) by pro rata allocation (even if Parent or the Shareholder or any agents for, or underwriters of, the Shares, or all of them, were treated as one entity for such purpose), or (ii) by any other method of allocation which does not take account of the equitable considerations referred to in this Section 4.6(d). The amount paid or payable by an indemnified party as a result of the Claims referred to above shall be deemed to include (subject to the limitations set forth in Section 4.6(c) hereof) any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action, proceeding or claim. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(d) The indemnification and contribution required by this Section 4.6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

(e) Beneficiaries of Indemnification. The obligations of the Company under this Section 4.6 shall be in addition to any liability that it may otherwise have and shall extend, upon the same terms and conditions, to each officer, director and partner of Parent and the Shareholder and each agent and underwriter of the Shares and each person, if any, who controls Parent and the Shareholder or any such agent or underwriter within the meaning of the Securities Act; and the obligations of Parent, the Shareholder and any agents or underwriters contemplated by this Section 4.6, shall be in addition to any liability that Parent, the Shareholder or their respective agent or underwriter may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his consent, is named in any registration statement as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Securities Act.

Section 4.7. Underwriters. If any of the Shares are to be sold pursuant to an Shelf Takedown by the Shareholder, the investment banker or bankers and the managing underwriter or underwriters thereof shall be selected by the Shareholder, provided that such managing underwriter or underwriters must be of recognized international standing and reasonably acceptable to the Company.

Section 4.8. Exchange Act Filings; Rule 144; Rule 144A. The Company covenants to and with the Shareholder that to the extent it shall be required to do so under the Exchange Act, the Company shall timely file the reports required to be filed by it under the Exchange Act or the Securities Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 adopted by the SEC under the Securities Act and the rules and regulations adopted by the SEC thereunder) and shall take such further action as the Shareholder may reasonably request, all to the extent required from time to time to enable the Shareholder to sell Shares without registration under the Securities Act within the limitations of the exemption provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC. Upon the request of the Shareholder, the Company shall deliver to the Shareholder a written statement as to whether it has complied with such requirements.

(a) If at any time the Company is not subject to Section 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, the Company agrees, upon the request of the Shareholder seeking to transfer Shares in conformity with Rule 144A under the Securities Act, to furnish to the Shareholder or prospective purchasers of the Shares from the Shareholder the information required by Rule 144A(d)(4)(i) under the Securities Act in the manner and at the times contemplated by such Rule.

(b) The Company covenants to make available "adequate current public information" concerning the Company within the meaning of Rule 144(c) under the Securities Act.

Section 4.9. Agreement of the Shareholder. The Shareholder agrees not to, and it shall cause its subsidiaries not to, make any sale, transfer or other disposition of Shares except in compliance with the registration requirements of the Securities Act and the rules and regulations thereunder or in accordance with the terms of this Agreement and the Shareholder Agreement.

Section 4.10. Legends. Stop transfer restrictions will be given to the Company's transfer agent(s) with respect to the Shares and there will be placed on the certificates or instruments representing the Shares, and on any certificate or instrument delivered in substitution therefor, a legend stating in substance:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO SUCH REGISTRATION OR IN ACCORDANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

(a) The Company hereby agrees that it will cause stop transfer restrictions to be released with respect to any Shares that are transferred (i) pursuant to an effective registration statement under the Securities Act, (ii) pursuant to Rule 144 or Rule 145 under the Securities Act, (iii) in accordance with the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act or (iv) pursuant to another exemption from the registration requirements of the Securities Act; provided, however, that in the case of any transfer pursuant to clause (ii), (iii) or (iv) above, the request for transfer is accompanied by a written statement signed by the Shareholder confirming compliance with the requirements of the relevant exemption from registration; and provided, further, that in the case of any transfer pursuant to clause (iv) above, other than any transfer by the Shareholder to one or more of its direct or indirect subsidiaries, or among such subsidiaries, or by any such subsidiary to the Shareholder, the Company shall have received a written opinion of counsel reasonably satisfactory to the Company. The Company further agrees that it will cause the legend described in subsection (a) of this Section 4.10 to be removed in the event of any transfer as provided in clause (i), (ii) or (iii) above.

Section 4.11. Treatment of Convertible Preferred Stock. Shares of Convertible Preferred Stock owned by the Shareholder shall be treated in all respects in the

same manner as shares of Common Stock owned by the Shareholder for the purposes of this Agreement.

ARTICLE V

MISCELLANEOUS

Section 5.1. Termination. This Agreement shall terminate on the date on which the Company shall have obtained or been provided by the Shareholder with a written opinion of legal counsel reasonably satisfactory to the Shareholder and addressed to the Company and the Shareholder to the effect that all of the Shares may be publicly offered for sale in the United States by the Shareholder without restriction as to manner of sale and amount of Securities sold under the Securities Act. In addition, the obligations of the Company set forth in Section 4.1(a) and Section 4.4 shall immediately terminate in the event that the Shareholder Agreement is terminated other than in accordance with Section 6.1 thereof.

Section 5.2. Recapitalizations, Exchanges, Etc. Affecting the Shares. The provisions of this Agreement shall apply to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for, or in substitution of the Shares, by reason of a stock dividend, stock split, stock issuance, reverse stock split, combination, recapitalization, reclassification, merger, consolidation or otherwise. Upon the occurrence of any such event, amounts hereunder shall be appropriately adjusted.

Section 5.3. Other Company Securities. The provisions of this Agreement shall apply mutatis mutandis to any publicly-traded security of the Company other than the Common Stock which may be owned by the Shareholder from time to time during the term of this Agreement.

Section 5.4. Amendment. This Agreement may not be amended except by a written instrument, duly executed by the Company and the Shareholder.

Section 5.5. Notices. Except as otherwise provided in this Agreement, all notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, when delivered personally or by courier, three (3) days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested), or when received by facsimile transmission if promptly confirmed by one of the foregoing means, as follows:

If to the Company:

ONEOK, Inc.
100 West Fifth Street
Tulsa, Oklahoma 74103
Attention: Chief Executive Officer

with a copy to:

ONEOK, Inc.
100 W. Fifth Street
Suite 1000
Tulsa, Oklahoma 74103
Attention: General Counsel

If to the Shareholder:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Industries, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

If to Parent:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: President
Fax: (785) 575-8061

with a copy to:

Westar Energy, Inc.
818 Kansas Avenue
Topeka, Kansas 66612
Attention: Corporate Secretary
Fax: (785) 575-1936

Section 5.6. Integration. This Agreement and the other writings referred to herein or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to its subject matter other than those expressly set forth or referred to herein.

Section 5.7. Binding Effect; Benefit. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective successors and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto, and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 5.8. Assignability. This Agreement shall not be assignable by any party hereto.

Section 5.9. Counterparts. This Agreement may be executed by the parties hereto in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 5.10. Applicable Law. This Agreement shall be governed by and construed in accordance with the internal laws of the state of Oklahoma without giving effect to principles of conflicts of law.

Section 5.11. Shareholder Agreement. This Agreement shall remain in effect in accordance with its terms notwithstanding the termination or lapse in effectiveness of any other agreement between the Shareholder and the Company, including, but not limited to, the Shareholder Agreement.

Section 5.12. Severability. In the event any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other

respect and of the remaining provisions contained herein shall not be affected or impaired, and such unreasonable, unlawful or unenforceable provision shall be interpreted, revised or applied in the manner that renders it lawful and enforceable to the fullest extent possible under law.

IN WITNESS WHEREOF, the parties named below have hereto set their hands as of the day and year first above written.

ONEOK, INC.

By: /s/ David L. Kyle

Name: David L. Kyle
Title: Chairman, President and Chief
Executive Officer

WESTAR ENERGY, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President and Chief Executive
Officer

WESTAR INDUSTRIES, INC.

By: /s/ James S. Haines, Jr.

Name: James S. Haines, Jr.
Title: President

CERTIFICATE OF THE DESIGNATIONS, POWERS,
PREFERENCES AND RELATIVE, PARTICIPATING,
OPTIONAL OR OTHER RIGHTS, AND THE QUALIFICATIONS,
LIMITATIONS OR RESTRICTIONS THEREOF, OF \$0.925 SERIES D
NON-CUMULATIVE CONVERTIBLE PREFERRED STOCK

OF

ONEOK, INC.

PURSUANT TO SECTION 1032 OF THE
GENERAL CORPORATION ACT OF THE STATE OF OKLAHOMA

ONEOK, INC., an Oklahoma corporation (the "Corporation"), does hereby certify that the Board of Directors of the Corporation duly adopted the following resolution, at a meeting duly convened and held on [_____,] 2003, in respect of a series of Preferred Stock, par value \$0.01 per share, of the Corporation, pursuant to authority conferred upon the Board by Article Fourth of the Certificate of Incorporation of the Corporation and in accordance with Section 1032 of the General Corporation Act of the State of Oklahoma:

BE IT RESOLVED, that the issuance of a series of Preferred Stock of the Corporation is hereby authorized, and the designation, amount, powers, preferences and relative, participating, optional and other special rights and qualifications, limitations and restrictions thereof, of the shares of such series of Preferred Stock of the Corporation, are hereby fixed as follows:

1. Designation; Class and Amount; Certain Definitions. The Preferred Stock, the issuance of which is hereby authorized, shall comprise [](1) shares the distinctive serial designation of which shall be "\$0.925 Series D Non-Cumulative Convertible Preferred Stock" which is sometimes herein referred to as "Series D Preferred Stock." The number of shares of Series D Preferred Stock which are purchased or otherwise acquired by the Corporation or converted into Common Stock shall be canceled and shall revert to authorized but unissued shares of Series D Preferred Stock. Certain capitalized terms used herein have the meanings specified therefor in Section 11 below.

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1 Will be 39,892,896 less two times the number of shares of Series A Preferred Stock repurchased by the Corporation.

2. Dividends; Priority

(a) Payments of Dividend; Series D Preferred Stock. Each Holder of shares of Series D Preferred Stock shall be entitled to receive, when and if declared by the Board, in respect of each share of Series D Preferred Stock, out of the funds of the Corporation legally available therefor, for each Dividend Period or portion thereof, quarterly cash dividends in an amount per share equal to \$0.23125 from and after the date of issuance of the shares of Series D Preferred Stock (the "Issue Date"), as long as the shares of Series D Preferred Stock remain outstanding. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on shares of Series D Preferred Stock, which are not paid.

(b) Payment and Record Dates. Dividends accrued on the Series D Preferred Stock in respect of each Dividend Period shall be payable, when and if declared by the Board in arrears within thirty-one (31) days after each date of payment (each such later date, a "Dividend Payment Date") by the Corporation of quarterly cash dividends on the Common Stock in respect of such Dividend Period; provided, however, that if any such day is not a Business Day the applicable Dividend Payment Date shall be the next succeeding day that is a Business Day; and provided, further that if no quarterly cash dividends are paid on the Common Stock in respect of any such Dividend Period, the Dividend Payment Date shall mean such date as may be determined by the Board within three months following the end of such Dividend Period; provided, however, dividends payable with respect to the Dividend Period immediately following the Issue Date shall accrue from the Issue Date. Dividends on the Series D Preferred Stock shall accrue on a daily basis from the commencement of each Dividend Period. Dividends will cease to accrue in respect of any shares of Series D Preferred Stock on the Surrender Date in respect of a conversion pursuant to Section 8(a) or on the Redemption Date in respect of a redemption. Dividends payable on the Series D Preferred Stock for any Dividend Period constituting less than a full fiscal quarter shall be computed ratably on the basis of a 360-day year of twelve (12) 30-day months. Dividends for any Dividend Period shall not be cumulative to the extent not paid in full on each Dividend Payment Date. Dividends on the Series D Preferred Stock in respect of any Dividend Period unpaid as of the Dividend Payment Date for

such Dividend Period shall permanently remain unpaid. The foregoing notwithstanding, dividends on account of arrears for any past Dividend Periods may be declared and paid at any time, without reference to any regular Dividend Payment Date. Dividends shall be payable to the Holders as they appear on the Stock Books not exceeding forty (40) days preceding the relevant Dividend Payment Date. Dividends shall be paid in cash, by wire transfer in immediately available funds to the accounts designated by the respective Holders in written notices given to the Corporation at least five (5) Business Days prior to the payment date or by such other means as may be agreed to by the Corporation and the respective Holders, such wire transfer to be effected for good value on or before the Dividend Payment Date.

(c) Special Dividends; Notice. Notwithstanding anything in this Certificate of Designations to the contrary, the holders of the Series D Preferred Stock shall participate in all Special Dividends on a share-for-share basis with the holders of Common Stock, as if shares of the Series D Preferred Stock were converted into Common Stock immediately prior to the record date with respect to each such Special Dividend.

(d) Priority as to Dividends; Restriction on Dividends, Redemption, etc. The Corporation shall not, for so long as the Series D Preferred Stock shall remain outstanding, directly or indirectly, declare or pay or set apart for payment any dividends (including cumulative dividends) or make (or permit any Subsidiary to make) any other distributions on, or payment on account of the purchase, redemption or other retirement or acquisition for value of the Common Stock, any other capital stock of the Corporation ranking junior to the Series D Preferred Stock as to dividends or as to distribution of assets upon any liquidation, dissolution or winding-up of the affairs of the Corporation or any options, warrants or rights to purchase or acquire Common Stock or any such capital stock or any securities convertible into or exchangeable for shares of Common Stock or any such capital stock, except that such payment of dividends and such other distributions and payments may be made so long as full dividends payable on the Series D Preferred Stock for the Dividend Period commencing immediately prior to the date of such dividend, distribution or other payment have been or are concurrently paid (or a sum sufficient for the payment thereof set apart for such payment subject to declaration thereof); provided, however, that the foregoing restrictions shall not apply to: (i) any dividend payable solely in shares of any stock of the Corporation ranking, as to dividends and as to distribution of assets upon any liquidation, dissolution or winding-up of the affairs of the Corporation, junior to the Series D Preferred Stock (or payable solely in options, warrants or rights to purchase or acquire any such stock) or (ii) any distribution pursuant to any employee or director incentive or benefit plan or arrangement (including any employment, severance or consulting agreement) of the Corporation or any Subsidiary heretofore or hereafter adopted or (iii) any distribution pursuant to a redemption, at the stated redemption price, of any rights granted to Holders of Common Stock pursuant to a stockholder rights plan or (iv) any dividend approved in writing by the holders of at least 66 2/3 percent of all shares of Series D Preferred Stock then outstanding. Holders of shares of Series D Preferred Stock shall be entitled to receive dividends in accordance with the foregoing clause (a) of this Section 2 in preference to and in priority over any dividend upon any securities junior to the Series D Preferred Stock.

3. Voting Rights. Holders of shares of Series D Preferred Stock, voting together as a single class with holders of shares of Common Stock (and with holders of any other class or series of stock which may similarly be entitled to vote with the holders of Common Stock) shall be entitled at any meeting of stockholders called for the purpose of voting on (or acting by written consent without need of any advance notice) (i) any proposed amendment to the Certificate of Incorporation or By-laws which would reasonably have the effect of modifying in any way Section 1, Article Twelfth of the Amended Certificate of In-

corporation of the Corporation dated January 15, 1998, electing that Sections 1145 through 1155 of Title 18 of the Oklahoma General Corporation Law (the "Control Share Acquisition Statute") shall not apply to the Corporation, or would reasonably cause the Corporation to become subject to (a) the Control Share Acquisition Statute or (b) any other provisions which are substantially similar to the Control Share Acquisition Statute, to abstain or vote for or against such amendment and (ii) any transaction or series of transactions submitted to a vote of the stockholders of the Corporation which, if consummated, would constitute a Change in Control, to vote with respect to such transaction(s). When voting together with the holders of shares of Common Stock on any such transaction(s), each share of Series D Preferred Stock shall carry, as of the record date applicable to such vote, a number of votes equal to the number of votes carried in the aggregate by the number of shares of Common Stock issuable upon conversion of one share of Series D Preferred Stock into Common Stock in accordance with Section 8 below.

(a) Except as provided by this Section 3 and Sections 4 and 9 below, or as otherwise may be required by applicable law, the Holders of Series D Preferred Stock shall not be entitled, by virtue of their being Holders thereof, to vote in any election of directors to the Board of the Corporation, or with respect to any other matter submitted to the stockholders of the Corporation. Where a vote of the Holders, voting as a separate class, may be required by applicable law or by this Section 3 or Section 4 or 9, each share of Series D Preferred Stock shall carry one vote.

4. Covenants. So long as any shares of Series D Preferred Stock are outstanding, the Corporation covenants and agrees with and for the benefit of the Holders of such shares that without the affirmative vote or consent of Holders of $66 \frac{2}{3}$ percent of all shares of the Series D Preferred Stock then outstanding, voting as a separate class in person or by proxy or by written consent delivered to the Secretary of the Corporation, the Corporation shall not amend, alter or repeal any provision of the Certificate of Incorporation of the Corporation, this Certificate of Designations, or any amendment or supplement to any of the foregoing, so as to affect adversely the rights, powers, preferences, qualifications, limitations or restrictions of any Holder of Series D Preferred Stock.

5. Optional Redemption. Subject to the rights of Holders of shares of Series D Preferred Stock set forth in Section 8 hereof, the Corporation may, at its option, redeem, in the manner provided for in Section 6 hereof, on or after August 1, 2006, all or a portion of the shares of Series D Preferred Stock at the Redemption Price per share if the Closing Price of the Common Stock has exceeded \$25.00 for 30 consecutive Trading Days prior to the date notice is given by Corporation pursuant to Section 6 hereof of its intention to redeem all or a portion of the shares of Series D Preferred Stock pursuant to this Section 5. The "Redemption Price" shall equal the product of (x) \$20.00 and (y) the number of shares of Common Stock then issuable upon the conversion of one share of Series D Preferred Stock.

(a) Procedure for Redemption. (i) In the event that the Corporation shall redeem shares of Series D Preferred Stock pursuant to Section 5 hereof, notice of such redemption (a "Redemption Notice") shall be mailed by first-class mail, postage prepaid, not less than 30 days nor more than 90 days, except as provided below, prior to the redemption date (the "Redemption Date") described in such notice, to the Holders of record of shares to be redeemed at their respective addresses as they shall appear in the records of the Corporation; provided, however, that failure to give such notice or any defect therein or the mailing thereof shall not affect the validity of the proceeding for the redemption of any shares so to be redeemed except as to the Holder to whom the Corporation has failed to give such notice or except as to the Holder to whom notice was defective. Each such notice shall state: (A) the Redemption Date; (B) the number of shares of Series D Preferred Stock to be redeemed; (C) the Redemption Price; (D) the place or places where certificate for such shares are to be surrendered for payment of the redemption price; (E) that dividends on the shares to be redeemed ceased to accrue as of the date of such notice; and (F) that the Holder's right to convert such shares into shares of Common Stock shall terminate on the close of business on the second Business Day preceding such Redemption Date. In the event that the Corporation has delivered a Redemption Notice to the Shareholder and the Shareholder is then precluded under Section 4.2(a), (b) or (c) of the Registration Rights Agreement from effecting an underwritten offering of Common Stock or Series D Preferred Stock, then the Redemption Date shall automatically be extended until the ninety-first (91st) day following the date that the restrictions set forth in Section 4.2(a), (b) or (c) of the Registration Rights Agreement have expired.

(i) In the event that fewer than all shares of Series D Preferred Stock represented by a surrendered certificate are to be redeemed hereunder, a new certificate shall be issued at the Corporation's expense representing the shares of Series D Preferred Stock not so redeemed.

(ii) Effective on the Redemption Date, any shares of Series D Preferred Stock redeemed shall no longer be deemed outstanding, all rights of the Holders thereof as preferred stockholders of the Corporation shall cease and thereupon the certificate(s) theretofore representing shares of Series D Preferred Stock shall represent only the right to receive the Redemption Price in respect thereof.

6. Liquidation Preference. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, the Holders of shares of Series D Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders an amount per share in cash equal to the amount that would be payable on one share of Common Stock (such amount payable being adjusted appropriately to reflect any stock split, stock dividend, reverse stock split, or any transaction with comparable effect upon the Common Stock and assuming conversion of all shares of Series D Preferred Stock then outstanding into shares of Common Stock immedi-

ately prior to such liquidation, dissolution or winding-up), plus all dividends then due on the Series D Preferred Stock (the "Liquidation Preference"). This entitlement of the Holders of shares of Series D Preferred Stock shall be satisfied before any similar payment shall be made or any assets distributed to the holders of the Common Stock or any other security junior in rank to the Series D Preferred Stock as to distribution of assets upon such dissolution, liquidation or winding-up. If the assets of the Corporation are not sufficient to pay in full the liquidation payments payable to all of the Holders of the outstanding shares of Series D Preferred Stock, then the Holders of all such shares shall share ratably in such distribution of assets in accordance with the respective liquidation preferences to which they are entitled. For the purposes of this section, neither the voluntary sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of the Corporation nor the consolidation or merger of the Corporation with one or more other corporations shall be deemed to be a liquidation, dissolution or winding-up, voluntary or involuntary, unless such voluntary sale, conveyance, exchange or transfer shall be in connection with a dissolution or winding up of the business of the Corporation.

7. Conversion.

(a) Conversion Right. The Holder of any share or shares of Series D Preferred Stock shall have the right, at any time, at such Holder's option, to convert, without the payment of additional consideration, each share of Series D Preferred Stock held by that Holder into one fully paid and nonassessable share of Common Stock (as adjusted pursuant to Section 8(c) hereof); provided, however, that shares of the Series D Preferred Stock Beneficially Owned by any member of the Shareholder Group shall not be convertible unless the aggregate of the regular cash dividends for the fiscal year immediately prior to such conversion that would have been payable with respect to all the shares of Common Stock issuable upon the conversion of one share of Series D Preferred Stock is greater than \$0.925 (the "Conversion Threshold"); provided, further, that the shares of Series D Preferred Stock Beneficially Owned by any member of the Shareholder Group shall not be convertible if such conversion would have a material adverse effect on the exemptions from the Public Utility Holding Company Act of 1935, as amended, of the Corporation or any of its Subsidiaries or Parent, the Shareholder or any affiliate of the Shareholder. Special or extraordinary dividends shall not be taken into account in determining whether the Conversion Threshold has been met. Notwithstanding anything in this Section 8(a) to the contrary, any member of the Shareholder Group may convert shares of Series D Preferred Stock into shares of Common Stock at any time in connection with, and immediately prior to, a Transfer pursuant to subsections (a), (c), and (e) of Section 4.3 of the Shareholder Agreement.

(b) Conversion Procedures. Any Holder of shares of Series D Preferred Stock desiring to convert such shares into Common Stock shall surrender the certificate(s) evidencing such shares of Series D Preferred Stock of the Holder at the office of the transfer

agent appointed for the purpose of such conversion by the Corporation. Such surrendered certificate(s), if the Corporation shall so require, shall be duly endorsed to the Corporation or in blank, or accompanied by proper instruments of transfer to the Corporation or in blank, and shall be accompanied by written notice to the Corporation that the Holder elects so to convert such shares of Series D Preferred Stock, which notice shall specify the name or names (with address or addresses) in which the Holder wishes the certificate(s) evidencing shares of Common Stock to be issued, in exchange for that certificate or those certificates so surrendered.

(i) The Corporation shall, within five (5) Business Days after such surrender of certificates evidencing shares of Series D Preferred Stock accompanied by written notice and in compliance with any other conditions contained herein, issue and deliver, or cause to be issued and delivered, to the person(s) for whose account such certificate(s) evidencing shares of Series D Preferred Stock were so surrendered, or to the nominee(s) of such Person(s), certificates representing the number of full shares of Common Stock to which such Person shall be entitled pursuant to the then-applicable conversion rate. Such conversion shall be deemed to have been made on the date of such surrender of the certificate(s) evidencing shares of Series D Preferred Stock to be converted (the "Surrender Date") and the Person(s) entitled to receive the Common Stock deliverable upon conversion of such Series D Preferred Stock shall be treated for all purposes as the record holder(s) of such Common Stock on such date and thereafter. Conversion of Series D Preferred Stock may otherwise be achieved in accordance with such procedures as the Corporation and a majority of the Holders may agree.

(ii) In the event that fewer than all shares of Series D Preferred Stock represented by a surrendered certificate are to be converted hereunder, a new certificate shall be issued at the Corporation's expense representing the shares of Series D Preferred Stock not so converted.

(iii) Effective on the day following the Surrender Date, dividends shall cease to accrue on any shares of Series D Preferred Stock surrendered for conversion, such shares of Series D Preferred Stock shall no longer be deemed outstanding, all rights of the Holders thereof as preferred stockholders of the Corporation shall cease (other than the right to receive dividends declared or otherwise payable to Holders of Series D Preferred Stock on a record date prior to the Surrender Date) and thereupon the certificate(s) theretofore representing shares of Series D Preferred Stock shall represent only the right to receive the Common Stock deliverable upon conversion in respect thereof. If any shares of Series D Preferred Stock are surrendered for conversion subsequent to the record date preceding a Dividend Payment Date but on or prior to such Dividend Payment Date (except shares called for redemption on a redemption date between such record date and such Dividend Payment Date), the Holder of such shares at the close of business on such record date shall be entitled to receive the dividend payable on such shares on such Dividend Payment Date notwithstanding the conversion thereof.

(c) The conversion rate shall be adjusted from time to time as follows:

(i) In case the Corporation shall, at any time or from time to time while any of the shares of Series D Preferred Stock are outstanding, (A) pay a dividend in shares of its Common Stock, (B) subdivide its outstanding shares of Common Stock into a larger number of shares, or (C) combine its outstanding shares of Common Stock into a smaller number of shares, the conversion rate in effect immediately prior to such action shall be adjusted so that the Holder of any shares of Series D Preferred Stock thereafter surrendered for conversion shall be entitled to receive the number of shares of Common Stock which such Holder would have owned or have been entitled to receive immediately following such action had such shares of Series D Preferred Stock been converted immediately prior thereto. An adjustment made pursuant to this Section 8(c)(i) shall become effective retroactively to immediately after the opening of business on the Business Day following the record date in the case of a dividend and shall become effective immediately after the opening of business on the Business Day following the effective date in the case of a subdivision or combination. If, as a result of an adjustment made pursuant to this Section 8(c)(i), the Holder of any shares of Series D Preferred Stock thereafter surrendered for conversion shall become entitled to receive shares of two or more classes of capital stock of the Corporation, the Board of Directors (whose determination shall be conclusive) shall determine the allocation of the adjusted conversion rate between or among shares of such classes of capital stock.

(ii) In case the Corporation shall, at any time or from time to time while any of the shares of Series D Preferred Stock are outstanding, issue rights or warrants to all holders of shares of its Common Stock entitling them to subscribe for or purchase shares of Common Stock (or securities convertible into or exchangeable for Common Stock) at a price per share less than the current Market Price per share of Common Stock, at such record date, the conversion rate shall be adjusted so that it shall equal the rate determined by multiplying the conversion rate in effect immediately prior to the date of issuance of such rights or warrants by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of additional shares of Common Stock offered for subscription or purchase, and the denominator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of shares which the aggregate offering price of the total number of shares so offered would purchase at such current market price. For the purposes of this Section 8(c)(ii), the issuance of rights or warrants to subscribe for or purchase securities convertible into Common Stock shall be deemed to be the issuance of rights or warrants to purchase the shares of Common Stock into which such securities are convertible at an aggregate offering price equal to the aggregate offering price of such securities plus the minimum aggregate amount (if any) payable upon conversion of such securities into shares of Common Stock; provided, however, that if all of the shares of Common Stock subject to such rights or warrants have not been issued when such rights or warrants expire, then the conversion rate

shall promptly be readjusted to the conversion rate which would then be in effect had the adjustment upon the issuance of such rights or warrants been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights or warrants. The foregoing provision shall not apply to issuances of rights pursuant to a stockholder rights plan provided that such rights are issued together with the Common Stock upon conversion of the Series D Preferred Stock. An adjustment made pursuant to this Section 8(c)(ii) shall become effective retroactively immediately after the record date for the determination of stockholders entitled to receive such rights or warrants.

(iii) In case the Corporation shall, at any time or from time to time while any of the shares of Series D Preferred Stock are outstanding, distribute to all holders of shares of its Common Stock evidences of its indebtedness or securities or assets (excluding cash dividends payable out of consolidated earnings or retained earnings or dividends payable in shares of Common Stock) or rights or warrants to subscribe for securities of the Corporation or any of its subsidiaries (excluding those referred to in Section 8(c)(ii)), then in each such case the conversion rate shall be adjusted so that it shall equal the rate determined by multiplying the conversion rate in effect immediately prior to the date of such distribution by a fraction, the numerator of which shall be the current Market Price per share of the Common Stock on the record date referred to below, and the denominator of which shall be such current market price per share of the Common Stock less the then fair market value of the portion of the assets or evidences of indebtedness or securities or assets so distributed or of such subscription rights or warrants applicable to one share of Common Stock. Such adjustment shall become effective retroactively immediately after the record date for the determination of stockholders entitled to receive such distribution.

(iv) The Corporation shall be entitled at its option to make such additional adjustments in the conversion rate, in addition to those required by subsections 8(c)(i), 8(c)(ii) and 8(c)(iii), as shall be necessary in order that any dividend or distribution in shares of stock, subdivision or combination of shares of Common Stock, issuance of rights or warrants, evidences of indebtedness or assets (other than cash dividends payable out of consolidated earnings or retained earnings) referred to above, shall not be taxable to the Holders of shares of Series D Preferred Stock.

(v) In any case in which this Section 8(c) shall require that an adjustment be made retroactively immediately following a record date, the Corporation may elect to defer (but only for five (5) Business Days following the filing of the statement referred to in Section 8(c)(vii)) issuing to the holder of any shares of this Series converted after such record date (A) the shares of Common Stock and other capital stock of the Corporation issuable upon such conversion over and above (B) the shares of Common Stock and other capital stock of the Corporation issuable upon such conversion on the basis of the conversion rate prior to adjustment.

(vi) Notwithstanding any other provisions of this Section 8(c), the Corporation shall not be required to make any adjustment of the conversion rate (A) in respect of any Special Dividend in which the holders of Series D Preferred Stock participate as provided in Section 2(c) or (B) unless such adjustment would require an increase or decrease of at least 1% in such rate (any lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least 1% in such rate).

(vii) Whenever an adjustment in the conversion rate is required, the Corporation shall forthwith place on file with its Transfer Agent a statement signed by its Chief Executive Officer, Chief Financial Officer or a Vice President and by its Secretary, Assistant Secretary, Treasurer or Assistant Treasurer, stating the adjusted conversion rate determined as provided herein. Such statements shall set forth in reasonable detail such facts as shall be necessary to show the reason and the manner of computing such adjustment. Promptly after the adjustment of the conversion rate, the Corporation shall mail a notice thereof to each holder of shares of Series D Preferred Stock.

(d) Reservation of Shares; etc. The Corporation shall at all times reserve and keep available, free from preemptive rights, out of its authorized and unissued stock, such number of shares of its Common Stock as shall from time to time be sufficient to effect the conversion of all shares of the Series D Preferred Stock from time to time outstanding, solely for the purpose of effecting such conversion. The Corporation shall, from time to time, in accordance with the laws of the State of Oklahoma, increase the authorized number of shares of Common Stock if at any time the number of shares of authorized and unissued Common Stock shall not be sufficient to permit the conversion of all the then-outstanding shares of Series D Preferred Stock.

(i) If any shares of Common Stock required to be reserved hereunder for purposes of conversion require registration with or approval of any governmental authority under any Federal or state law before such shares may be issued upon conversion, the Corporation shall, in good faith and as expeditiously as possible, cause such shares to be duly registered or approved as the case may be. If the Common Stock is listed on the New York Stock Exchange or any other national or foreign securities exchange, the Corporation shall, if permitted by the rules of such exchange, list and keep listed on such exchange, upon official notice of issuance, all shares of Common Stock issuable upon conversion of Series D Preferred Stock.

(ii) The Corporation will pay any and all taxes that may be payable in respect of the issuance or delivery of shares of Common Stock upon conversion of shares of Series D Preferred Stock pursuant hereto. The Corporation shall not, however, be required to

pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Series D Preferred Stock so converted were registered and no such issuance or delivery shall be made unless and until the person requesting such issuance has paid to the Corporation the amount of any such tax or has established to the satisfaction of the Corporation that such tax has been paid.

(e) Reclassifications, Consolidations, Mergers or Sales of Assets. In case of (i) any reclassification or change of outstanding shares of Common Stock (other than a change in par value or from par value to no par value or from no par value to par value, or as a result of a subdivision or combination), (ii) any consolidation or merger of the Corporation with one or more other corporations (other than a consolidation or merger in which the Corporation is the continuing corporation and which does not result in any reclassification or change of outstanding shares of Common Stock issuable upon conversion of Series D Preferred Stock), (iii) any sale or conveyance to another corporation or other entity of all or substantially all of the property of the Corporation, or (iv) any other transaction which would constitute a Change in Control of the Corporation, then the Corporation, or such successor corporation or other entity, as the case may be, shall make appropriate provision so that the holder of each share of Series D Preferred Stock then outstanding shall have the right to convert such share into the kind and amount of shares of stock or other securities and property receivable upon such consolidation, merger, sale, reclassification, change or conveyance by a holder of the number of shares of Common Stock into which such shares of Series D Preferred Stock might have been converted immediately prior to such consolidation, merger, sale, reclassification, change or conveyance, subject to adjustment which shall be as nearly equivalent as may be practicable to the adjustments provided for in Section 8(c). The provisions of this paragraph shall apply similarly to successive consolidations, mergers, sales or conveyances.

8. Priority. The Series D Preferred Stock shall be senior in rank, both as to dividends and as to distribution of assets upon any liquidation, dissolution or winding-up of the affairs of the Corporation, to the Common Stock, or any class of equity securities of the Corporation which by its terms are junior to the Series D Preferred Stock, and shall not be junior in rank with respect to any class or series of Preferred Stock that may be issued by the Corporation, unless the Holders of 66 2/3 percent of the outstanding shares of the Series D Preferred Stock shall consent to the creation, reclassification or authorization of any class or series of the Corporation's capital stock ranking prior to the Series D Preferred Stock as to dividends or as to distributions of assets upon liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any security convertible into shares of such class or series.

9. Notices. The Corporation shall provide notice to each Holder of any action taken or proposed to be taken or any determination made by the Corporation and/or the

Shareholder under the terms of this Certificate of Designations. Notice of any such action or determination by the Corporation and/or the Shareholder and all other notices and other communications provided for in this Certificate of Designations shall be delivered by facsimile and by reputable overnight courier,

(a) if to the Corporation, to:

ONEOK, Inc.
100 West Fifth Street
Tulsa, Oklahoma 74103
Facsimile: (918) 588-7971
Attn: Chief Executive Officer

with a copy to:

ONEOK, Inc.
100 West Fifth Street
Tulsa, Oklahoma 74103
Facsimile: (918) 588-7971
Attn: General Counsel

or such other address as the Corporation shall have furnished to the Holders in writing,

(b) if to a Holder and/or the Shareholder, to the address and facsimile number of such Holder listed on the Stock Books of the Corporation.

10. Definitions. Certain capitalized terms are used herein as defined below:

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with such Person. For the purposes of this definition, "control," when used with respect to any particular Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Beneficial Owner" (and, with correlative meanings, "Beneficially Own" and "Beneficial Ownership") of any interest means a Person who, together with his, her or its Affiliates, is or may be deemed a beneficial owner of such interest for purposes of Rule 13d-3 or 13d-5 under the Securities Exchange Act of 1934, as amended, or who, together with his, her, or its Affiliates, has the right to become such a beneficial owner

of such interest (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise, conversion or exchange of any warrant, right or other instrument, or otherwise.

"Board" shall mean the Board of Directors of the Corporation in office at the applicable time, as elected in accordance with the By-Laws of the Corporation and with the Shareholder Agreement.

"Business Day" means any day other than a Saturday, a Sunday, a day on which the New York Stock Exchange is closed or a day on which state or federally chartered banking institutions in New York, New York are not required to be open.

"By-Laws" shall mean the By-Laws of the Corporation, as they may be amended from time to time.

"Certificate of Designations" means this Certificate of Designations, Powers, Preferences and Relative, Participating, Optional or other Rights, and the Qualifications, Limitations or Restrictions Thereof, creating the Series D Preferred Stock.

"Certificate of Incorporation" shall mean the Certificate of Incorporation of the Corporation, as it may be amended from time to time.

"Change in Control" shall mean the occurrence of any one of the following events:

- (1) any Person (other than the Shareholder and/or its Affiliates) becoming the Beneficial Owner, directly or indirectly, 35% or more of the Securities entitled to vote generally in the election of directors, pursuant to the consummation of a merger, consolidation, sale of all or substantially all of the Corporation's assets, share exchange or similar form of corporate transaction involving the Corporation or any of its subsidiaries that requires the approval of the Corporation's shareholders, whether for such transaction or the issuance of securities in such transaction; provided, however, that the event described in this paragraph (1) shall not be deemed to be a Change in Control if it occurs as the result of any of the following acquisitions: (A) by any employee benefit plan sponsored or maintained by the Corporation or any Affiliate, or (B) by any underwriter temporarily holding Securities pursuant to an offering of such Securities;

- (2) the consummation of a merger, consolidation, sale of all or substantially all of the Corporation's assets, share exchange or similar form of corporate transaction involving the Corporation or any of its subsidiaries that requires the approval of the Corporation's shareholders, whether for such transaction or the issuance of securities in such transaction, unless immediately following such transaction more than 50 percent of the total voting power of (x) the corporation resulting from such transaction, or (y) if applicable, the ultimate parent corporation that directly or indirectly has Beneficial Ownership of 100 percent of the securities eligible to elect directors of such resulting corporation, is represented by Securities entitled to vote generally in the election of directors that were outstanding immediately prior to such transaction (or, if applicable, shares into which such Securities were converted pursuant to such transaction), and such voting power among the holders of such Securities that were outstanding immediately prior to such transaction is in substantially the same proportion as the voting power of such Securities among the holders thereof immediately prior to such transaction; or
- (3) the consummation of a plan of complete liquidation or dissolution of the Corporation.

"Closing Price" for each Trading Day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system of the New York Stock Exchange or, if the Common Stock is no longer listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to the principal national securities exchange on which the Common Stock is then listed or admitted to trading or if the Common Stock is no longer listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if on any such date the Common Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such security selected by a majority of the Board or, if on any such date no market maker is making a market in such security, the fair value as determined in good faith by a majority of the Board based upon the opinion of an independent investment banking firm of recognized standing.

"Common Stock" means the Common Stock of Oneok, Inc.

"Control Share Acquisition Statute" has the meaning specified in Section 3(a) above.

"Corporation" has the meaning specified in the preamble.

"Dividend Payment Date" has the meaning specified in Section 2(b) above.

"Dividend Period" means the applicable period from (and including) the Issue Date to the end of the first fiscal quarter after the Issue Date, and each fiscal quarter thereafter.

"Holder" means a holder of record of a share or shares of Series D Preferred Stock.

"Issue Date" has the meaning specified in Section 2(a) above.

"Liquidation Preference" has the meaning specified in Section 7 above.

The "Market Price" for the Common Stock shall mean the average of the Closing Prices for such Common Stock for the twenty (20) Trading Days immediately prior to the date on which the Market Price is being determined; provided, however, that in the event that the current per share market price of the Common Stock is determined during a period following the announcement by the Corporation of (a) a dividend or distribution on the Common Stock payable in shares of Common Stock or securities convertible into Common Stock or (b) any subdivision, combination or reclassification of the Common Stock and prior to the expiration of 20 Trading Days after the ex-dividend date for such dividend or distribution, or the record date for such subdivision, combination or reclassification, then, and in each such case, the current per share market price shall be appropriately adjusted to take into account ex-dividend trading or the effects of such subdivision, combination or reclassification.

"Parent" means Westar Energy, Inc., a Kansas corporation.

"Person" means any individual, corporation, partnership, joint venture, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other entity.

"Redemption Date" has the meaning specified in Section 6.

"Redemption Price" has the meaning specified in Section 5.

"Securities" shall mean any securities of the Corporation.

"Series D Preferred Stock" has the meaning specified in Section 1 above.

"Shareholder" means Westar Industries, Inc., a Delaware corporation.

"Shareholder Agreement" means the Shareholder Agreement, dated as of January __, 2003 among ONEOK, Parent and the Shareholder.

"Shareholder Group" shall mean Parent, the Shareholder, any Affiliate of the Shareholder and any Person with whom any Shareholder or any Affiliate of any Shareholder is part of a 13D Group.

"Special Dividend" means a dividend declared or paid on the Common Stock in respect of a recapitalization, spin-off, reorganization or other extraordinary transaction of the Corporation.

"Stock Books" means the stock transfer books of the Corporation relating to its Common Stock and Preferred Stock.

"Subsidiary" shall mean, with respect to any corporation (the "ultimate parent") any other corporation, association, or other business entity of which more than 50% of the shares of the voting stock are owned or controlled, directly or indirectly, by the ultimate parent or one or more Subsidiaries of the ultimate parent, or by the ultimate parent and one or more of its Subsidiaries.

"Surrender Date" has the meaning specified in Section 8(b)(ii) above.

"Trading Day" shall mean a day on which the principal national securities exchange on which the Common Stock is listed or admitted to trading is open for the transaction of business.

IN WITNESS WHEREOF, ONEOK, INC. has caused this Certificate of Designations to be made under the seal of the Corporation and signed and attested by the undersigned officers of the Corporation this [___] day of [], 2003.

ONEOK, INC.

By:

Name:

Title:

(Corporate Seal)

Attest:

By:

Name:

Title:

Amended and Restated Rights Agreement

between

ONEOK, Inc.

and

UMB Bank, N.A., as

Rights Agent

Dated as of _____, 2003

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AMENDED AND RESTATED RIGHTS AGREEMENT

AMENDED AND RESTATED RIGHTS AGREEMENT, dated as of _____, 2003 (the "Agreement"), between ONEOK, Inc., an Oklahoma corporation (the "Corporation"), and UMB BANK, N.A., as rights agent (the "Rights Agent").

The Board of Directors of the Corporation has authorized and declared a dividend of one preferred share purchase right (a "Right") for each Common Share (as hereinafter defined) of the Corporation outstanding at 5:00 P.M., Eastern Standard Time, on November 26, 1997 (the "Record Date"), each Right representing the right to purchase one one-hundredth (subject to adjustment as provided herein) of a Preferred Share (as hereinafter defined), upon the terms and subject to the conditions herein set forth, and has further authorized and directed the issuance of one Right with respect to each Common Share that shall become outstanding between the Record Date and the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date (as such terms are hereinafter defined); provided, however, that Rights may be issued with respect to Common Shares that shall become outstanding after the Distribution Date and prior to the earlier of the Redemption Date and the Final Expiration Date in accordance with the provisions of Section 22 of this Agreement.

The Corporation and the Rights Agent have agreed to enter into this Agreement in order to amend and restate the various rights of the parties set forth in the Rights Agreement, dated as of November 26, 1997.

Accordingly, in consideration of the premises and the mutual agreements herein set forth, the parties hereby agree as follows:

Section 1. Certain Definitions. For purposes of this Agreement, the following terms have the meanings indicated:

(a) "Acquiring Person" shall mean any Person who or which, together with all Affiliates and Associates of such Person, shall be the Beneficial Owner of 15% or more of the then outstanding Common Shares (other than as a result of a Permitted Offer) or was such a Beneficial Owner at any time after the date hereof, whether or not such person continues to be the Beneficial Owner of 15% or more of the then outstanding Common Shares. Notwithstanding the foregoing, (A) the term "Acquiring Person" shall not include (i) the Corporation, (ii) any Subsidiary of the Corporation, (iii) any employee benefit plan of the Corporation or of any Subsidiary of the Corporation, (iv) any Person or entity organized, appointed or established by the Corporation for or pursuant to the terms of any such plan acting in such capacity and (v) Westar Energy or Westar Industries, Inc. ("Westar"), but only with respect to the Common Shares Beneficially Owned by either of them as of the date hereof, less any Common Shares Beneficially Owned by either of them that are transferred or sold after the date hereof, and (B) no Person shall become an "Acquiring Person" (i) as a result of the acquisition of Common Shares by the Corporation which, by reducing the number of Common Shares outstanding, increases the proportional number of shares beneficially owned

by such Person together with all Affiliates and Associates of such Person, provided, that if (1) a Person would become an Acquiring Person (but for the operation of this subclause (i)) as a result of the acquisition of Common Shares by the Corporation, and (2) after such share acquisition by the Corporation, such Person, or an Affiliate or Associate of such Person, becomes the Beneficial Owner of any additional Common Shares, then such Person shall be deemed an Acquiring Person; or (ii) if (1) within five Business Days after such Person would otherwise have become or, if such Person did so inadvertently, after such Person discovers that such Person would otherwise have become, an Acquiring Person (but for the operation of this subclause (ii)), such Person notifies the Board of Directors that such Person did so inadvertently, and (2) within two Business Days after such notification, such Person divests itself of a sufficient number of Common Shares so that such Person is the Beneficial Owner of such number of Common Shares that such Person no longer would be an Acquiring Person.

(b) "Act" shall mean the Securities Act of 1933, as amended and as in effect on the date of this Agreement.

(c) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended and as in effect on the date of this Agreement (the "Exchange Act").

(d) A Person shall be deemed the "Beneficial Owner" of and shall be deemed to "beneficially own" any securities:

(i) which such Person or any of such Person's Affiliates or Associates beneficially owns, directly or indirectly;

(ii) which such Person or any of such Person's Affiliates or Associates has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, rights (other than the Rights), warrants or options, or otherwise; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, securities tendered pursuant to a tender or exchange offer made by or on behalf of such Person or any of such Person's Affiliates or Associates until such tendered securities are accepted for purchase or exchange; or (B) the right to vote pursuant to any agreement, arrangement or understanding; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, any security if the agreement, arrangement or understanding to vote such security (1) arises solely from a revocable proxy or consent given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (2)

is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report); or

(iii) which are beneficially owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person (or any of such Person's Affiliates or Associates) has any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities) relating to the acquisition, holding, voting (except to the extent contemplated by the proviso to Section 1(d)(ii)(B)) or disposing of any securities of the Corporation.

Notwithstanding anything in this definition of Beneficial Ownership to the contrary, the phrase "then outstanding," when used with reference to a Person's Beneficial Ownership of securities of the Corporation, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and outstanding which such Person would be deemed to own beneficially hereunder.

(e) "Business Day" shall mean any day other than a Saturday, Sunday or federal holiday or a day on which banking institutions in the State of Missouri are authorized or obligated by law or executive order to close.

(f) "Close of Business" on any given date shall mean 5:00 P.M., New York City time, on such date; provided, however, that if such date is not a Business Day it shall mean 5:00 P.M., New York City time, on the next succeeding Business Day.

(g) "Common Shares" when used with reference to the Corporation shall mean the shares of Common Stock, par value \$0.01 per share, of the Corporation or, in the event of a subdivision, combination or consolidation with respect to such shares of Common Stock, the shares of Common Stock resulting from such subdivision, combination or consolidation. "Common Shares" when used with reference to any Person other than the Corporation shall mean the capital stock (or equity interest) with the greatest combined economic and voting power of such other Person or, if such other Person is a Subsidiary of another Person, the Person or Persons which ultimately control such first- mentioned Person.

(h) "Disinterested Directors" shall mean the members of the Board of Directors who are not (i) officers of the Corporation, (ii) Acquiring Persons or their Affiliates or Associates or representatives of any of them, or (iii) any Person who was directly or indirectly proposed or nominated as a director of the Corporation by a Transaction Person.

(i) "Distribution Date" shall have the meaning set forth in Section 3 hereof.

(j) "Final Expiration Date" shall have the meaning set forth in Section 7 hereof.

(k) "Interested Stockholder" shall mean any Acquiring Person or any Affiliate or Associate of an Acquiring Person or any other Person in which any such Acquiring Person, Affiliate or Associate has an interest which represents in excess of 5% of the total combined economic or voting power of such person, or any other Person acting directly or indirectly on behalf of or in concert with any such Acquiring Person, Affiliate or Associate.

(l) "Permitted Offer" shall mean a tender or exchange offer for all outstanding Common Shares which is at a price and on terms determined, prior to the purchase of shares under such tender or exchange offer, by at least a majority of the Disinterested Directors, to be adequate and otherwise in the best interests of the Corporation, its stockholders and its other relevant constituencies (other than the Person or any Affiliate or Associate thereof on whose behalf the offer is being made) taking into account all factors that such Disinterested Directors may deem relevant.

(m) "Person" shall mean any individual, firm, partnership, corporation, limited liability company, trust, association, joint venture or other entity, and shall include any successor (by merger or otherwise) of such entity.

(n) "Preferred Shares" shall mean the shares of Series C Participating Preferred Stock, par value \$0.01 per share, of the Corporation.

(o) "Redemption Date" shall have the meaning set forth in Section 7 hereof.

(p) "Section 11(a)(ii) Event" shall mean any event described in Section 11(a)(ii) hereof.

(q) "Section 13 Event" shall mean any event described in clause (x), (y) or (z) of Section 13(a) hereof.

(r) "Shares Acquisition Date" shall mean the first date of public announcement (which, for purposes of this definition, shall include, without limitation, a report filed pursuant to the Exchange Act) by the Corporation or an Acquiring Person that an Acquiring Person has become such.

(s) "Subsidiary" of any Person shall mean any corporation or other Person of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

(t) "Transaction" shall mean any merger, consolidation or sale of assets described in Section 13(a) hereof or any acquisition of Common Shares of the Corporation which would result in a Person becoming a Transaction Person.

(u) "Transaction Person" with respect to a Transaction shall mean (x) any Person who (i) is or will become an Acquiring Person if the Transaction were to be consummated and (ii) directly or indirectly proposed or nominated a director of the Corporation which director is in office at the time of consideration of the Transaction, or (y) an Affiliate or Associate of such a Person.

(v) "Triggering Event" shall mean any Section 11(a)(ii) Event or any Section 13 Event.

Section 2. Appointment of Rights Agent. The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and the holders of the Rights (who, in accordance with Section 3 hereof, shall prior to the Distribution Date also be the holders of Common Shares) in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-Rights Agents as it may deem necessary or desirable.

Section 3. Issue of Right Certificates. (a) Until the earlier to occur of (i) the Shares Acquisition Date or (ii) the Close of Business on the tenth Business Day (or such later date as may be determined by action of the Corporation's Board of Directors) after the date of the commencement by any Person (other than the Corporation, any Subsidiary of the Corporation, any employee benefit plan of the Corporation or of any Subsidiary of the Corporation or any Person or entity organized, appointed or established by the Corporation for or pursuant to the terms of any such plan) of, or of the first public announcement of the intention of any Person (other than the Corporation, any Subsidiary of the Corporation, any employee benefit plan of the Corporation or of any Subsidiary of the Corporation or any Person or entity organized, appointed or established by the Corporation for or pursuant to the terms of any such plan) to commence (which intention to commence remains in effect for five Business Days after such announcement), a tender or exchange offer the consummation of which would result in any Person becoming an Acquiring Person (including, in the case of both (i) and (ii), any such date which is after the date of this Agreement and prior to the issuance of the Rights), the earlier of such dates being herein referred to as the "Distribution Date," (x) the Rights will be evidenced (subject to the provisions of Section 3(b) hereof) by the certificates for Common Shares registered in the names of the holders thereof (which certificates shall also be deemed to be Right Certificates) and not by separate Right Certificates, and (y) the right to receive Right Certificates will be transferable only in connection with the transfer of the underlying Common Shares (including a transfer to the Corporation); provided, however, that if the tender offer is terminated prior to the occurrence of a Distribution Date, then no Distribution Date shall occur as a result of such tender offer. As soon as practicable after the

Distribution Date, the Corporation will prepare and execute, the Rights Agent will countersign, and the Corporation will send or cause to be sent by first-class, postage-prepaid mail, to each record holder of Common Shares as of the close of business on the Distribution Date, at the address of such holder shown on the records of the Corporation, a Right Certificate, substantially in the form of Exhibit A hereto (a "Right Certificate"), evidencing one Right for each Common Share so held. As of and after the Distribution Date, the Rights will be evidenced solely by such Right Certificates.

(b) As promptly as practicable following the Record Date, the Corporation will send a copy of a Summary of Rights to Purchase Preferred Shares, in substantially the form of Exhibit B hereto (the "Summary of Rights"), by first-class, postage-prepaid mail, to each record holder of Common Shares as of the close of business on the Record Date, at the address of such holder shown on the records of the Corporation. With respect to certificates for Common Shares outstanding as of the Record Date, until the Distribution Date, the Rights will be evidenced by such certificates registered in the names of the holders thereof together with a copy of the Summary of Rights attached thereto. Until the Distribution Date (or the earlier of the Redemption Date or the Final Expiration Date), the surrender for transfer of any certificate for Common Shares outstanding on the Record Date, with or without a copy of the Summary of Rights attached thereto, shall also constitute the transfer of the Rights associated with such Common Shares.

(c) Certificates for Common Shares which become outstanding (including, without limitation, reacquired Common Shares referred to in the last sentence of this paragraph (c)) after the Record Date but prior to the earliest of the Distribution Date, the Redemption Date or the Final Expiration Date shall be deemed also to be certificates for Rights and shall bear the following legend:

THIS CERTIFICATE ALSO EVIDENCES AND ENTITLES THE HOLDER HEREOF TO CERTAIN RIGHTS AS SET FORTH IN AN AMENDED AND RESTATED RIGHTS AGREEMENT BETWEEN ONEOK, INC. AND THE RIGHTS AGENT, DATED AS OF _____, 2003 (THE "AMENDED AND RESTATED RIGHTS AGREEMENT"), THE TERMS OF WHICH ARE HEREBY INCORPORATED HEREIN BY REFERENCE AND A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICES OF ONEOK, INC. UNDER CERTAIN CIRCUMSTANCES, AS SET FORTH IN THE AMENDED AND RESTATED RIGHTS AGREEMENT, SUCH RIGHTS WILL BE EVIDENCED BY SEPARATE CERTIFICATES AND WILL NO LONGER BE EVIDENCED BY THIS CERTIFICATE. ONEOK, INC. WILL MAIL TO THE HOLDER OF THIS CERTIFICATE A COPY OF THE RIGHTS AGREEMENT WITHOUT CHARGE AFTER RECEIPT OF A WRITTEN REQUEST THEREFOR FROM SUCH HOLDER. UNDER CERTAIN CIRCUMSTANCES SET

FORTH IN THE AMENDED AND RESTATED RIGHTS AGREEMENT, RIGHTS ISSUED TO, OR HELD BY, ANY PERSON WHO IS, WAS OR BECOMES AN ACQUIRING PERSON OR AN AFFILIATE OR ASSOCIATE THEREOF (AS DEFINED IN THE AMENDED AND RESTATED RIGHTS AGREEMENT) AND CERTAIN RELATED PERSONS, WHETHER CURRENTLY HELD BY OR ON BEHALF OF SUCH PERSON OR BY ANY SUBSEQUENT HOLDER, MAY BECOME NULL AND VOID.

With respect to such certificates containing the foregoing legend, until the Distribution Date, the Rights associated with the Common Shares represented by such certificates shall be evidenced by such certificates alone, and the surrender for transfer of any such certificate shall also constitute the transfer of the Rights associated with the Common Shares represented thereby. In the event that the Corporation purchases or acquires any Common Shares after the Record Date but prior to the Distribution Date, any Rights associated with such Common Shares shall be deemed cancelled and retired so that the Corporation shall not be entitled to exercise any Rights associated with the Common Shares which are no longer outstanding.

Section 4. Form of Right Certificate. (a) The Right Certificates (and the forms of election to purchase and of assignment to be printed on the reverse thereof) shall be substantially in the form set forth in Exhibit B hereto and may have such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Rights may from time to time be listed, or to conform to usage. Subject to the provisions of Section 11 and Section 22 hereof, the Right Certificates shall entitle the holders thereof to purchase such number of one one-hundredths of a Preferred Share as shall be set forth therein at the price per one one-hundredth of a Preferred Share set forth therein (the "Purchase Price"), but the amount and type of securities purchasable upon the exercise of each Right and the Purchase Price thereof shall be subject to adjustment as provided herein.

(b) Any Right Certificate issued pursuant to Section 3(a) or Section 22 hereof that represents Rights which are null and void pursuant to Section 7(e) of this Agreement and any Right Certificate issued pursuant to Section 6 or Section 11 hereof upon transfer, exchange, replacement or adjustment of any other Right Certificate referred to in this sentence, shall contain (to the extent feasible) the following legend:

THE RIGHTS REPRESENTED BY THIS RIGHT CERTIFICATE ARE OR WERE
BENEFICIALLY OWNED BY A PERSON WHO WAS OR BECAME AN ACQUIRING PERSON OR
AN AFFILIATE OR ASSOCIATE

OF AN ACQUIRING PERSON (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT). ACCORDINGLY, THIS RIGHT CERTIFICATE AND THE RIGHTS REPRESENTED HEREBY ARE NULL AND VOID.

Provisions of Section 7(e) of this Rights Agreement shall be operative whether or not the foregoing legend is contained on any such Right Certificate.

Section 5. Countersignature and Registration. The Right Certificates shall be executed on behalf of the Corporation by its Chairman of the Board, its Chief Executive Officer, its President, any of its Vice Presidents, or its Treasurer, either manually or by facsimile signature, shall have affixed thereto the Corporation's seal or a facsimile thereof, and shall be attested by the Secretary or an Assistant Secretary of the Corporation, either manually or by facsimile signature. The Right Certificates shall be countersigned by the Rights Agent and shall not be valid for any purpose unless so countersigned. In case any officer of the Corporation who shall have signed any of the Right Certificates shall cease to be such officer of the Corporation before countersignature by the Rights Agent and issuance and delivery by the Corporation, such Right Certificates may nevertheless be countersigned by the Rights Agent and issued and delivered by the Corporation with the same force and effect as though the person who signed such Right Certificates had not ceased to be such officer of the Corporation; and any Right Certificate may be signed on behalf of the Corporation by any person who, at the actual date of the execution of such Right Certificate, shall be a proper officer of the Corporation to sign such Right Certificate, although at the date of the execution of this Rights Agreement any such person was not such an officer.

Following the Distribution Date, the Rights Agent will keep or cause to be kept, at its office designated as the appropriate place for surrender of such Right Certificate for transfer, books for registration and transfer of the Right Certificates issued hereunder. Such books shall show the names and addresses of the respective holders of the Right Certificates, the number of Rights evidenced on its face by each of the Right Certificates and the certificate number and the date of each of the Right Certificates.

Section 6. Transfer, Split-Up, Combination and Exchange of Right Certificates; Mutilated, Destroyed, Lost or Stolen Right Certificate. Subject to the provisions of Section 4(b), Section 7(e) and Section 14 hereof, at any time after the close of business on the Distribution Date, and at or prior to the close of business on the earlier of the Redemption Date or the Final Expiration Date, any Right Certificate or Right Certificates may be transferred, split up, combined or exchanged for another Right Certificate or Right Certificates, entitling the registered holder to purchase a like number of one one-hundredths of a Preferred Share (or, following a Triggering Event, other securities, as the case may be) as the Right Certificate or Right Certificates surrendered then entitled such holder (or former holder in the case of a transfer) to purchase. Any registered holder desiring to transfer, split up, combine or exchange any Right Certificate or Right Certificates shall make such request in writing deliv-

ered to the Rights Agent, and shall surrender the Right Certificate or Right Certificates to be transferred, split up, combined or exchanged at the principal office or offices of the Rights Agent designated for such purpose. Neither the Rights Agent nor the Corporation shall be obligated to take any action whatsoever with respect to the transfer of any such surrendered Right Certificate until the registered holder shall have completed and signed the certificate contained in the form of assignment on the reverse side of such Right Certificate and shall have provided such additional evidence of the identity of the Beneficial Owner (or former Beneficial Owner) or Affiliates or Associates thereof as the Corporation shall reasonably request. Thereupon the Rights Agent shall, subject to Section 4(b), Section 7(e) and Section 14 hereof, countersign and deliver to the Person entitled thereto a Right Certificate or Right Certificates, as the case may be, as so requested. The Corporation or the Rights Agent may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer, split-up, combination or exchange of Right Certificates.

Upon receipt by the Corporation and the Rights Agent of evidence reasonably satisfactory to them of the loss, theft, destruction or mutilation of a Right Certificate, and, in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to them, and, at the Corporation's request, reimbursement to the Corporation and the Rights Agent of all reasonable expenses incidental thereto, and upon surrender to the Rights Agent and cancellation of the Right Certificate if mutilated, the Corporation will make and deliver a new Right Certificate of like tenor to the Rights Agent for countersignature and delivery to the registered holder in lieu of the Right Certificate so lost, stolen, destroyed or mutilated.

Section 7. Exercise of Rights; Purchase Price; Expiration Date of Rights.

(a) Subject to Section 7(e) hereof, the registered holder of any Right Certificate may exercise the Rights evidenced thereby (except as otherwise provided herein) in whole or in part at any time after the Distribution Date upon surrender of the Right Certificate, with the form of election to purchase and the certificate on the reverse side thereof duly executed, to the Rights Agent at the principal office or offices of the Rights Agent designated for such purpose, together with payment of the aggregate Purchase Price for the total number of one one-hundredths of a Preferred Share (or other securities, as the case may be) as to which such surrendered Rights are exercised, at or prior to the earliest of (i) the Close of Business on [], 2013 (the "Final Expiration Date"), (ii) the time at which the Rights are redeemed as provided in Section 23 hereof (the "Redemption Date"), (iii) the time at which the Rights are exchanged as provided in Section 24 hereof, or (iv) the consummation of a transaction contemplated by Section 13(d) hereof.

(b) The Purchase Price for each one-hundredth of a Preferred Share pursuant to the exercise of a Right shall initially be \$40.00, shall be subject to adjustment from time to time as provided in the next sentence and in Sections 11 and 13(a) hereof and shall be payable in accordance with paragraph (c) below. Anything in this Agreement to the contrary notwithstanding, in the event that at any time after the date of this Agreement and prior to the

Distribution Date, the Corporation shall (i) declare or pay any dividend on the Common Shares payable in Common Shares or (ii) effect a subdivision, combination or consolidation of the Common Shares (by reclassification or otherwise than by payment of dividends in Common Shares) into a greater or lesser number of Common Shares, then in any such case, each Common Share outstanding following such subdivision, combination or consolidation shall continue to have one Right (subject to adjustment as provided herein) associated therewith and the Purchase Price following any such event shall be proportionately adjusted to equal the result obtained by multiplying the Purchase Price immediately prior to such event by a fraction the numerator of which shall be the total number of Common Shares outstanding immediately prior to the occurrence of the event and the denominator of which shall be the total number of Common Shares outstanding immediately following the occurrence of such event. The adjustment provided for in the preceding sentence shall be made successively whenever such a dividend is declared or paid or such a subdivision, combination or consolidation is effected.

(c) Upon receipt of a Right Certificate representing exercisable Rights, with the form of election to purchase and the certificate duly executed, accompanied by payment of the Purchase Price for the Preferred Shares (or other securities, as the case may be) to be purchased and an amount equal to any applicable transfer tax required to be paid by the holder of such Right Certificate in accordance with Section 6 hereof by certified check, cashier's check or money order payable to the order of the Corporation, the Rights Agent shall thereupon promptly (i) (A) requisition from any transfer agent of the Preferred Shares certificates for the number of Preferred Shares to be purchased and the Corporation hereby irrevocably authorizes its transfer agent to comply with all such requests, or (B) requisition from the depositary agent (if the Corporation, in its sole discretion, shall have elected to deposit the Preferred Shares issuable upon exercise of the Rights hereunder into a depositary) depositary receipts representing such number of one one-hundredths of a Preferred Share as are to be purchased (in which case certificates for the Preferred Shares represented by such receipts shall be deposited by the transfer agent with the depositary agent) and the Corporation will direct the depositary agent to comply with such requests, (ii) when appropriate, requisition from the Corporation the amount of cash to be paid in lieu of issuance of fractional shares in accordance with Section 14 hereof, (iii) after receipt of such certificates or depositary receipts, cause the same to be delivered to or upon the order of the registered holder of such Right Certificate, registered in such name or names as may be designated by such holder, and (iv) when appropriate, after receipt thereof, deliver such cash to or upon the order of the registered holder of such Right Certificate. In the event that the Corporation is obligated to issue other securities (including Common Shares) of the Corporation pursuant to Section 11(a) hereof, the Corporation will make all arrangements necessary so that such other securities are available for distribution by the Rights Agent, if and when appropriate.

In addition, in the case of an exercise of the Rights by a holder pursuant to Section 11(a)(ii), the Rights Agent shall return such Right Certificate to the registered holder

thereof after imprinting, stamping or otherwise indicating thereon that the rights represented by such Right Certificate no longer include the rights provided by Section 11(a)(ii) of the Rights Agreement and if less than all the Rights represented by such Right Certificate were so exercised, the Rights Agent shall indicate on the Right Certificate the number of Rights represented thereby which continue to include the rights provided by Section 11(a)(ii).

(d) In case the registered holder of any Right Certificate shall exercise less than all the Rights evidenced thereby, a new Right Certificate evidencing Rights equivalent to the Rights remaining unexercised shall be issued by the Rights Agent to the registered holder of such Right Certificate or to his duly authorized assigns, subject to the provisions of Section 14 hereof, or the Rights Agent shall place an appropriate notation on the Right Certificate with respect to those Rights exercised.

(e) Notwithstanding anything in this Agreement to the contrary, from and after the first occurrence of a Section 11(a)(ii) Event, any Rights beneficially owned by (i) an Acquiring Person or an Affiliate or Associate of an Acquiring Person, (ii) a transferee of an Acquiring Person (or of any Affiliate or Associate thereof) who becomes a transferee after the Acquiring Person becomes such, or (iii) a transferee of an Acquiring Person (or of any Affiliate or Associate thereof) who becomes a transferee prior to or concurrently with the Acquiring Person becoming such and receives such Rights pursuant to either (A) a transfer (whether or not for consideration) from the Acquiring Person to holders of equity interests in such Acquiring Person or to any Person with whom the Acquiring Person has a continuing agreement, arrangement or understanding regarding the transferred Rights or (B) a transfer which the Board of Directors of the Corporation has determined is part of a plan, arrangement or understanding which has as a primary purpose or effect the avoidance of this Section 7(e), shall become null and void without any further action and no holder of such Rights shall have any rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise. The Corporation shall use all reasonable efforts to insure that the provisions of this Section 7(e) and Section 4(b) hereof are complied with, but shall have no liability to any holder of Right Certificates or other Person as a result of its failure to make any determinations with respect to an Acquiring Person or its Affiliates, Associates or transferees hereunder.

(f) Notwithstanding anything in this Agreement to the contrary, neither the Rights Agent nor the Corporation shall be obligated to undertake any action with respect to a registered holder upon the occurrence of any purported exercise as set forth in this Section 7 unless such registered holder shall have (i) completed and signed the certificate contained in the form of election to purchase set forth on the reverse side of the Right Certificate surrendered for such exercise, and (ii) provided such additional evidence of the identity of the Beneficial Owner (or former Beneficial Owner) or Affiliates or Associates thereof as the Corporation shall reasonably request.

Section 8. Cancellation and Destruction of Right Certificates. All Right Certificates surrendered for the purpose of exercise (other than a partial exercise), transfer, split up, combination or exchange shall, if surrendered to the Corporation or to any of its agents, be delivered to the Rights Agent for cancellation or in canceled form, or, if surrendered to the Rights Agent, shall be canceled by it, and no Right Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Rights Agreement. The Corporation shall deliver to the Rights Agent for cancellation and retirement, and the Rights Agent shall so cancel and retire, any other Right Certificate purchased or acquired by the Corporation otherwise than upon the exercise thereof. The Rights Agent shall destroy such canceled Right Certificates in accordance with applicable laws and regulations, and shall deliver a certificate of destruction thereof to the Corporation.

Section 9. Reservation and Availability of Capital Stock. The Corporation covenants and agrees that at all times prior to the occurrence of a Section 11(a)(ii) Event it will cause to be reserved and kept available out of its authorized and unissued Preferred Shares, or any authorized and issued Preferred Shares held in its treasury, the number of Preferred Shares that will be sufficient to permit the exercise in full of all outstanding Rights and, after the occurrence of a Section 11(a)(ii) Event, shall, to the extent reasonably practicable, so reserve and keep available a sufficient number of Common Shares (and/or other securities) which may be required to permit the exercise in full of the Rights pursuant to this Agreement.

So long as the Preferred Shares (and, after the occurrence of a Section 11(a)(ii) Event, Common Shares, or any other securities, as the case may be) issuable upon the exercise of the Rights may be listed on any national securities exchange, the Corporation shall use its best efforts to cause, from and after such time as the Rights become exercisable, all shares reserved for such issuance to be listed on such exchange upon official notice of issuance upon such exercise.

The Corporation covenants and agrees that it will take all such action as may be necessary to ensure that all Preferred Shares (or Common Shares and/or other securities, as the case may be) delivered upon exercise of Rights shall, at the time of delivery of the certificates for such shares or other securities (subject to payment of the Purchase Price), be duly and validly authorized and issued and fully paid and non-assessable shares or securities.

The Corporation further covenants and agrees that it will pay when due and payable any and all federal and state transfer taxes and charges which may be payable in respect of the issuance or delivery of the Right Certificates or of any Preferred Shares (or Common Shares and/or other securities, as the case may be) upon the exercise of Rights. The Corporation shall not, however, be required to pay any transfer tax which may be payable in respect of any transfer or delivery of Right Certificates to a person other than, or the issuance or delivery of certificates or depositary receipts for the Preferred Shares (or Common Shares and/or other securities, as the case may be) in a name other than that of, the registered holder

of the Right Certificate evidencing Rights surrendered for exercise, or to issue or to deliver any certificates or depositary receipts for Preferred Shares (or Common Shares and/or other securities, as the case may be) upon the exercise of any Rights, until any such tax shall have been paid (any such tax being payable by the holder of such Right Certificate at the time of surrender) or until it has been established to the Corporation's reasonable satisfaction that no such tax is due.

The Corporation shall use its best efforts to (i) file, as soon as practicable following the Shares Acquisition Date (or, if required by law, at such earlier time following the Distribution Date as so required), a registration statement under the Act, with respect to the securities purchasable upon exercise of the Rights on an appropriate form, (ii) cause such registration statement to become effective as soon as practicable after such filing, and (iii) cause such registration statement to remain effective (with a prospectus at all times meeting the requirements of the Act and the rules and regulations thereunder) until the date of the expiration of the rights provided by Section 11(a)(ii). The Corporation will also take such action as may be appropriate under the blue sky laws of the various states.

Section 10. Preferred Shares Record Date. Each Person in whose name any certificate for Preferred Shares (or Common Shares and/or other securities, as the case may be) is issued upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the Preferred Shares (or Common Shares and/or other securities, as the case may be) represented thereby on, and such certificate shall be dated, the date upon which the Right Certificate evidencing such Rights was duly surrendered and payment of the Purchase Price (and any applicable transfer taxes) was made; provided, however, that, if the date of such surrender and payment is a date upon which the Preferred Shares (or Common Shares and/or other securities, as the case may be) transfer books of the Corporation are closed, such person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding Business Day on which the Preferred Shares (or Common Shares and/or other securities, as the case may be) transfer books of the Corporation are open.

Section 11. Adjustment of Purchase Price, Number and Kind of Shares or Number of Rights. The Purchase Price, the number and kind of shares or other securities covered by each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 11.

(a) (i) In the event the Corporation shall at any time after the date of this Agreement (A) declare a dividend on the Preferred Shares payable in Preferred Shares, (B) subdivide the outstanding Preferred Shares, (C) combine the outstanding Preferred Shares into a smaller number of Preferred Shares or (D) issue any shares of its capital stock in a reclassification of the Preferred Shares (including any such reclassification in connection with a consolidation or merger in which the Corporation is the continuing or surviving corporation),

except as otherwise provided in this Section 11(a) and Section 7(e) hereof, the Purchase Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and the number and kind of shares of capital stock issuable on such date, shall be proportionately adjusted so that the holder of any Right exercised after such time shall be entitled to receive the aggregate number and kind of shares of capital stock which, if such Right had been exercised immediately prior to such date and at a time when the Preferred Shares transfer books of the Corporation were open, such holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification; provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Corporation issuable upon exercise of one Right. If an event occurs which would require an adjustment under both Section 11(a)(i) and Section 11(a)(ii), the adjustment provided for in this Section 11(a)(i) shall be in addition to, and shall be made prior to, any adjustment required pursuant to Section 11(a)(ii).

(ii) In the event any Person, alone or together with its Affiliates and Associates, shall become an Acquiring Person, then proper provision shall be made so that each holder of a Right (except as provided below and in Section 7(e) hereof) shall, for a period of 60 days after the later of (i) the occurrence of any such event or (ii) the effective date of an appropriate registration statement under the Act pursuant to Section 9 hereof, have a right to receive, upon exercise thereof at a price equal to the then current Purchase Price, in accordance with the terms of this Agreement, such number of Common Shares (or, in the discretion of the Board of Directors, one one-hundredths of a Preferred Share) as shall equal the result obtained by (x) multiplying the then current Purchase Price by the then number of one one-hundredths of a Preferred Share for which a Right was exercisable immediately prior to the first occurrence of a Section 11(a)(ii) Event and (y) dividing that product by 50% of the then current per share market price of the Corporation's Common Shares (determined pursuant to Section 11(d) hereof) on the date of such first occurrence (such number of shares being referred to as the "Adjustment Shares"); provided, however, that if the transaction that would otherwise give rise to the foregoing adjustment is also subject to the provisions of Section 13 hereof, then only the provisions of Section 13 hereof shall apply and no adjustment shall be made pursuant to this Section 11(a)(ii).

(iii) In the event that there shall not be sufficient treasury shares or authorized but unissued (and unreserved) Common Shares to permit the exercise in full of the Rights in accordance with the foregoing subparagraph (ii) and the Rights become so exercisable (and the Board has determined to make the Rights exercisable into fractions of a Preferred Share), notwithstanding any other provision of this Agreement, to the extent necessary and permitted by applicable law, each Right shall thereafter represent the right to receive, upon exercise thereof at the then current Purchase Price in accordance with the terms of this Agreement, (x) a number of (or fractions of) Common Shares (up to the maximum number of Common Shares which may permissibly be issued) and (y) one one-hundredth of a Preferred Share or a

number of (or fractions of) other equity securities of the Corporation (or, in the discretion of the Board of Directors, debt) which the Board of Directors of the Corporation has determined to have the same aggregate current market value (determined pursuant to Sections 11(d)(i) and (ii) hereof, to the extent applicable) as one Common Share (such number of (or fractions of) Preferred Shares (or other equity securities or debt of the Corporation) being referred to as a "capital stock equivalent"), equal in the aggregate to the number of Adjustment Shares; provided, however, if sufficient Common Shares and/or capital stock equivalents are unavailable, then the Corporation shall, to the extent permitted by applicable law, take all such action as may be necessary to authorize additional Common Shares or capital stock equivalents for issuance upon exercise of the Rights, including the calling of a meeting of stockholders; and provided, further, that if the Corporation is unable to cause sufficient Common Shares and/or capital stock equivalents to be available for issuance upon exercise in full of the Rights, then each Right shall thereafter represent the right to receive the Adjusted Number of Shares upon exercise at the Adjusted Purchase Price (as such terms are hereinafter defined). As used herein, the term "Adjusted Number of Shares" shall be equal to that number of (or fractions of) Common Shares (and/or capital stock equivalents) equal to the product of (x) the number of Adjustment Shares and (y) a fraction, the numerator of which is the number of Common Shares (and/or capital stock equivalents) available for issuance upon exercise of the Rights and the denominator of which is the aggregate number of Adjustment Shares otherwise issuable upon exercise in full of all Rights (assuming there were a sufficient number of Common Shares available) (such fraction being referred to as the "Proration Factor"). The "Adjusted Purchase Price" shall mean the product of the Purchase Price and the Proration Factor. The Board of Directors may, but shall not be required to, establish procedures to allocate the right to receive Common Shares and capital stock equivalents upon exercise of the Rights among holders of Rights.

(b) In case the Corporation shall fix a record date for the issuance of rights (other than the Rights), options or warrants to all holders of Preferred Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Preferred Shares (or shares having the same rights and privileges as the Preferred Shares ("equivalent preferred shares") or securities convertible into Preferred Shares or equivalent preferred shares at a price per Preferred Share or equivalent preferred share (or having a conversion price per share, if a security convertible into Preferred Shares or equivalent preferred shares) less than the then current per share market price of the Preferred Shares (as determined pursuant to Section 11(d) hereof) on such record date, the Purchase Price to be in effect after such record date shall be determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the number of Preferred Shares outstanding on such record date plus

the number of Preferred Shares which the aggregate offering price of the total number of Preferred Shares and/or equivalent preferred shares so to be offered (and/or the aggregate initial conversion price of the convertible securities so to be offered) would purchase at such current per share market price, and the denominator of which shall be the number of Preferred Shares outstanding on such record date plus the number of additional Preferred Shares and/or equivalent preferred shares to be offered for subscription or purchase (or into which the convertible securities so to be offered are initially convertible); provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Corporation issuable upon exercise of one Right. In case such subscription price may be paid in a consideration part or all of which shall be in a form other than cash, the value of such consideration shall be determined in good faith by the Board of Directors of the Corporation, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent. Preferred Shares owned by or held for the account of the Corporation shall not be deemed outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed; and in the event that such rights, options or warrants are not so issued, the Purchase Price shall be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(c) In case the Corporation shall fix a record date for the making of a distribution to all holders of the Preferred Shares (including any such distribution made in connection with a consolidation or merger in which the Corporation is the continuing or surviving corporation) of evidences of indebtedness or assets (other than a regular quarterly cash dividend or a dividend payable in Preferred Shares) or subscription rights or warrants (excluding those referred to in Section 11(b) hereof), the Purchase Price to be in effect after such record date shall be determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the then current per share market price (as determined pursuant to Section 11(d) hereof) of the Preferred Shares on such record date, less the fair market value (as determined in good faith by the Board of Directors of the Corporation, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent) of the portion of the assets or evidences of indebtedness so to be distributed or of such subscription rights or warrants applicable to one Preferred Share and the denominator of which shall be such current per share market price of the Preferred Shares; provided, however, that in no event shall the consideration to be paid upon the exercise of one Right be less than the aggregate par value of the shares of capital stock of the Corporation to be issued upon exercise of one Right. Such adjustments shall be made successively whenever such a record date is fixed; and in the event that such distribution is not so made, the Purchase Price shall again be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(d) (i) For the purpose of any computation hereunder, the "current per share market price" of any security (a "Security" for the purpose of this Section 11(d)(i)) on any date shall be deemed to be the average of the daily closing prices per share of such Security for the thirty (30) consecutive Trading Days (as such term is hereinafter defined) immediately prior to such date; provided, however, that in the event that the current per share market price of the Security is determined during a period following the announcement by the issuer of such Security of (A) a dividend or distribution on such Security payable in shares of such

Security or securities convertible into such shares, or (B) any subdivision, combination or reclassification of such Security and prior to the expiration of thirty (30) Trading Days after the ex-dividend date for such dividend or distribution, or the record date for such subdivision, combination or reclassification, then, and in each such case, the current per share market price shall be appropriately adjusted to reflect the current market price per share equivalent of such Security. The closing price for each day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Security is not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Security is listed or admitted to trading or, if the Security is not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System ("NASDAQ") or such other system then in use, or, if on any such date the Security is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Security selected by the Board of Directors of the Corporation. If on any such date no such market maker is making a market in the Security, the fair value of the Security on such date as determined in good faith by the Board of Directors of the Corporation shall be used. The term "Trading Day" shall mean a day on which the principal national securities exchange on which the Security is listed or admitted to trading is open for the transaction of business or, if the Security is not listed or admitted to trading on any national securities exchange, a Business Day. Subject to Section 11(d)(ii), if any Security is not publicly held or so listed or traded, "current per share market price" of such Security shall mean the fair market value per share as determined in good faith by the Board of Directors of the Corporation, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent.

(ii) For the purpose of any computation hereunder, the "current per share market price" of the Preferred Shares shall be determined in accordance with the method set forth in Section 11(d)(i). If the Preferred Shares are not publicly traded, the current per share market price of the Preferred Shares shall be conclusively deemed to be the current per share market price of the Common Shares as determined pursuant to Section 11(d)(i) (appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof), multiplied by one hundred. If neither the Common Shares nor the Preferred Shares are publicly held or so listed or traded, "current per share market price" shall mean the fair value per share as determined in good faith by the Board of Directors of the Corporation, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent.

(e) Notwithstanding anything herein to the contrary, no adjustment in the Purchase Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Purchase Price; provided, however, that any adjustments which by reason of this Section 11(e) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 11 shall be made to the nearest cent or to the nearest one one-hundredth-thousandth of a Preferred Share or one ten-thousandth of any other share or security, as the case may be. Notwithstanding the first sentence of this Section 11(e), any adjustment required by this Section 11 shall be made no later than the earlier of (i) three (3) years from the date of the transaction which mandates such adjustment or (ii) the Final Expiration Date.

(f) If, as a result of an adjustment made pursuant to Section 11(a)(ii) or Section 13(a) hereof, the holder of any Right thereafter exercised shall become entitled to receive any shares of capital stock of the Corporation other than Preferred Shares, thereafter the number of other shares so receivable upon exercise of any Right shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Preferred Shares contained in Sections 11(a) through (c), inclusive, and the provisions of Sections 7, 9, 10, 13 and 14 with respect to the Preferred Shares shall apply on like terms to any such other shares.

(g) All Rights originally issued by the Corporation subsequent to any adjustment made to the Purchase Price hereunder shall evidence the right to purchase, at the adjusted Purchase Price, the number of one-hundredths of a Preferred Share purchasable from time to time hereunder upon exercise of the Rights, all subject to further adjustment as provided herein.

(h) Unless the Corporation shall have exercised its election as provided in Section 11(i), upon each adjustment of the Purchase Price as a result of the calculations made in Sections 11(b) and (c), each Right outstanding immediately prior to the making of such adjustment shall thereafter evidence the right to purchase, at the adjusted Purchase Price, that number of one one-hundredths of a Preferred Share (calculated to the nearest one one-hundredth thousandths of a Preferred Share) obtained by (i) multiplying (x) the number of Preferred Shares covered by a Right immediately prior to this adjustment of the Purchase Price by (y) the Purchase Price in effect immediately prior to such adjustment of the Purchase Price and (ii) dividing the product so obtained by the Purchase Price in effect immediately after such adjustment of the Purchase Price.

(i) The Corporation may elect on or after the date of any adjustment of the Purchase Price to adjust the number of Rights, in lieu of any adjustment in the number of one one-hundredths of a Preferred Share purchasable upon the exercise of a Right. Each of the Rights outstanding after such adjustment of the number of Rights shall be exercisable for the number of one one-hundredths of a Preferred Share for which a Right was exercisable imme-

diately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the Purchase Price in effect immediately prior to adjustment of the Purchase Price by the Purchase Price in effect immediately after adjustment of the Purchase Price. The Corporation shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Purchase Price is adjusted or any day thereafter, but, if the Right Certificates have been issued, shall be at least ten (10) days later than the date of the public announcement. If Right Certificates have been issued, upon each adjustment of the number of Rights pursuant to this Section 11(i), the Corporation shall, as promptly as practicable, cause to be distributed to holders of record of Right Certificates on such record date Right Certificates evidencing, subject to Section 14 hereof, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Corporation, shall cause to be distributed to such holders of record in substitution and replacement for the Right Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, if required by the Corporation, new Right Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Right Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein and shall be registered in the names of the holders of record of Right Certificates on the record date specified in the public announcement.

(j) Irrespective of any adjustment or change in the Purchase Price or the number of one one-hundredths of a Preferred Share issuable upon the exercise of the Rights, the Right Certificates theretofore and thereafter issued may continue to express the Purchase Price and the number of one one-hundredths of a Preferred Share which were expressed in the initial Right Certificates issued hereunder.

(k) Before taking any action that would cause an adjustment reducing the Purchase Price below the then par value, if any, of the number of one one-hundredths of a Preferred Share, Common Shares or other securities issuable upon exercise of the Rights, the Corporation shall take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue such number of fully paid and nonassessable one one-hundredths of a Preferred Share, Common Shares or other securities at such adjusted Purchase Price.

(l) In any case in which this Section 11 shall require that an adjustment in the Purchase Price be made effective as of a record date for a specified event, the Corporation may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date the Preferred Shares, Common Shares or other securities of the Corporation, if any, issuable upon such exercise over and above the Preferred Shares, Common Shares or other securities of the Corporation, if any, issuable upon exercise on the basis of the Purchase Price in effect prior to such adjustment; provided, however, that the

Corporation shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional shares upon the occurrence of the event requiring such adjustment.

(m) Notwithstanding anything in this Section 11 to the contrary, the Corporation shall be entitled to make such reductions in the Purchase Price, in addition to those adjustments expressly required by this Section 11, as and to the extent that it in its sole discretion shall determine to be advisable in order that any (i) consolidation or subdivision of the Preferred Shares, (ii) issuance wholly for cash of Preferred Shares at less than the current market price, (iii) issuance wholly for cash of Preferred Shares or securities which by their terms are convertible into or exchangeable for Preferred Shares, (iv) stock dividends or (v) issuance of rights, options or warrants referred to in this Section 11, hereafter made by the Corporation to holders of its Preferred Shares shall not be taxable to such stockholders.

(n) The Corporation covenants and agrees that it shall not, at any time after the Distribution Date, (i) consolidate with any other Person (other than a Subsidiary of the Corporation in a transaction which does not violate Section 11(o) hereof), (ii) merge with or into any other Person (other than a Subsidiary of the Corporation in a transaction which does not violate Section 11(o) hereof), or (iii) sell or transfer (or permit any Subsidiary to sell or transfer), in one transaction, or a series of related transactions, assets or earning power aggregating more than 50% of the assets or earning power of the Corporation and its Subsidiaries (taken as a whole) to any other Person or Persons (other than the Corporation and/or any of its Subsidiaries in one or more transactions each of which does not violate Section 11(o) hereof), if (x) at the time of or immediately after such consolidation, merger, sale or transfer there are any charter or by-law provisions or any rights, warrants or other instruments or securities outstanding or agreements in effect or other actions taken, which would materially diminish or otherwise eliminate the benefits intended to be afforded by the Rights or (y) prior to, simultaneously with or immediately after such consolidation, merger or sale, the stockholders of the Person who constitutes, or would constitute, the "Principal Party" for purposes of Section 13(a) hereof shall have received a distribution of Rights previously owned by such Person or any of its Affiliates and Associates. The Corporation shall not consummate any such consolidation, merger, sale or transfer unless prior thereto the Corporation and such other Person shall have executed and delivered to the Rights Agent a supplemental agreement evidencing compliance with this Section 11(n).

(o) The Corporation covenants and agrees that, after the Distribution Date, it will not, except as permitted by Section 23 or Section 27 hereof, take (or permit any Subsidiary to take) any action the purpose of which is to, or if at the time such action is taken it is reasonably foreseeable that the effect of such action is to, materially diminish or otherwise eliminate the benefits intended to be afforded by the Rights.

(p) The exercise of Rights under Section 11(a)(ii) shall only result in the reduction of rights under Section 11(a)(ii) to the extent so exercised and shall not otherwise affect the rights represented by the Rights under this Rights Agreement, including the rights represented by Section 13.

Section 12. Certificate of Adjusted Purchase Price or Number of Shares. Whenever an adjustment is made as provided in Sections 11 or 13 hereof, the Corporation shall promptly (a) prepare a certificate setting forth such adjustment, and a brief statement of the facts accounting for such adjustment, (b) file with the Rights Agent and with each transfer agent for the Common Shares and the Preferred Shares a copy of such certificate and (c) mail a brief summary thereof to each holder of a Right Certificate in accordance with Section 26 hereof. The Rights Agent shall be fully protected in relying on any such certificate and on any adjustment therein contained and shall not be deemed to have knowledge of such adjustment unless and until it shall have received such certificate.

Section 13. Consolidation, Merger or Sale or Transfer of Assets or Earning Power. (a) In the event that, on or following the Shares Acquisition Date, directly or indirectly, (x) the Corporation shall consolidate with, or merge with and into, any Interested Stockholder or, if in such merger or consolidation all holders of Common Shares are not treated alike, any other Person, (y) the Corporation shall consolidate with, or merge with, any Interested Stockholder or, if in such merger or consolidation all holders of Common Shares are not treated alike, any other Person, and the Corporation shall be the continuing or surviving corporation of such consolidation or merger (other than, in a case of any transaction described in (x) or (y), a merger or consolidation which would result in all of the securities generally entitled to vote in the election of directors ("voting securities") of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into securities of the surviving entity) all of the voting securities of the Corporation or such surviving entity outstanding immediately after such merger or consolidation and the holders (and relative percentage holdings of each such holder) of such securities not having changed as a result of such merger or consolidation), or (z) the Corporation shall sell or otherwise transfer (or one or more of its Subsidiaries shall sell or otherwise transfer), in one transaction or a series of related transactions, assets or earning power aggregating more than 50% of the assets or earning power of the Corporation and its Subsidiaries (taken as a whole) to any Interested Stockholder or Persons or, if in such transaction all holders of Common Shares are not treated alike, any other Person (other than the Corporation or any Subsidiary of the Corporation in one or more transactions each of which does not violate Section 11(o) hereof), then, and in each such case (except as provided in Section 13(d) hereof), proper provision shall be made so that (i) each holder of a Right, except as provided in Section 7(e) hereof, shall thereafter have the right to receive, upon the exercise thereof at a price equal to the then current Purchase Price, in accordance with the terms of this Agreement and in lieu of Preferred Shares, such number of freely tradable Common Shares of the Principal Party (as hereinafter defined), not subject to any liens, encumbrances, rights of first refusal or other ad-

verse claims, as shall equal the result obtained by (A) multiplying the then current Purchase Price by the number of one one-hundredths of a Preferred Share for which a Right is then exercisable (without taking into account any adjustment previously made pursuant to Section 11(a)(ii)) and dividing that product by (B) 50% of the then current per share market price of the Common Shares of such Principal Party (determined pursuant to Section 11(d) hereof) on the date of consummation of such Section 13 Event; (ii) such Principal Party shall thereafter be liable for, and shall assume, by virtue of such Section 13 Event, all the obligations and duties of the Corporation pursuant to this Agreement; (iii) the term "Corporation" shall thereafter be deemed to refer to such Principal Party; it being specifically intended that the provisions of Section 11 hereof shall apply only to such Principal Party following the first occurrence of a Section 13 Event; and (iv) such Principal Party shall take such steps (including, but not limited to, the reservation of a sufficient number of its Common Shares) in connection with the consummation of any such transaction as may be necessary to assure that the provisions hereof shall thereafter be applicable, as nearly as reasonably may be, in relation to the Common Shares thereafter deliverable upon the exercise of the Rights.

(b) "Principal Party" shall mean

(i) in the case of any transaction described in clause (x) or (y) of the first sentence of Section 13(a), the Person that is the issuer of any securities into which Common Shares of the Corporation are converted in such merger or consolidation, and if no securities are so issued, the Person that is the other party to such merger or consolidation (including, if applicable, the Corporation if it is the surviving corporation); and

(ii) in the case of any transaction described in clause (z) of the first sentence of Section 13(a), the Person that is the party receiving the greatest portion of the assets or earning power transferred pursuant to such transaction or transactions; provided, however, that in any of the foregoing cases, (1) if the Common Shares of such Person are not at such time and have not been continuously over the preceding twelve (12) month period registered under Section 12 of the Exchange Act, and such Person is a direct or indirect Subsidiary of another Person the Common Shares of which are and have been so registered, "Principal Party" shall refer to such other Person; (2) in case such Person is a Subsidiary, directly or indirectly, of more than one Person, the Common Shares of two or more of which are and have been so registered, "Principal Party" shall refer to whichever of such Persons is the issuer of the Common Shares having the greatest aggregate market value; and (3) in case such Person is owned, directly or indirectly, by a joint venture formed by two or more Persons that are not owned, directly or indirectly, by the same Person, the rules set forth in (1) and (2) above shall apply to each of the chains of ownership having an interest in such joint venture as if such party were a "Subsidiary" of both or all of such joint venturers and the Principal Parties in

each such chain shall bear the obligations set forth in this Section 13 in the same ratio as their direct or indirect interests in such Person bear to the total of such interests.

(c) The Corporation shall not consummate any such consolidation, merger, sale or transfer unless the Principal Party shall have a sufficient number of its authorized Common Shares which have not been issued or reserved for issuance to permit the exercise in full of the Rights in accordance with this Section 13 and unless prior thereto the Corporation and such Principal Party shall have executed and delivered to the Rights Agent a supplemental agreement providing for the terms set forth in paragraphs (a) and (b) of this Section 13 and further providing that, as soon as practicable after the date of any consolidation, merger, sale or transfer mentioned in paragraph (a) of this Section 13, the Principal Party at its own expense shall:

(i) prepare and file a registration statement under the Act with respect to the Rights and the securities purchasable upon exercise of the Rights on an appropriate form, and use its best efforts to cause such registration statement to (A) become effective as soon as practicable after such filing and (B) remain effective (with a prospectus at all times meeting the requirements of the Act) until the Final Expiration Date;

(ii) use its best efforts to qualify or register the Rights and the securities purchasable upon exercise of the Rights under the blue sky laws of such jurisdictions as may be necessary or appropriate; and

(iii) deliver to holders of the Rights historical financial statements for the Principal Party which comply in all respects with the requirements for registration on Form 10 under the Exchange Act.

The provisions of this Section 13 shall similarly apply to successive mergers or consolidations or sales or other transfers. The rights under this Section 13 shall be in addition to the rights to exercise Rights and adjustments under Section 11(a)(ii) and shall survive any exercise thereof.

(d) Notwithstanding anything in this Agreement to the contrary, Section 13 shall not be applicable to a transaction described in subparagraphs (x) and (y) of Section 13(a) if: (i) such transaction is consummated with a Person or Persons who acquired Common Shares pursuant to a Permitted Offer (or a wholly owned Subsidiary of any such Person or Persons); (ii) the price per Common Share offered in such transaction is not less than the price per Common Share paid to all holders of Common Shares whose shares were purchased pursuant to such Permitted Offer; and (iii) the form of consideration offered in such transaction is the same as the form of consideration paid pursuant to such Permitted Offer. Upon consummation of any such transaction contemplated by this Section 13(d), all Rights hereunder shall expire.

Section 14. Fractional Rights and Fractional Shares. (a) The Corporation shall not be required to issue fractions of Rights or to distribute Right Certificates which evidence fractional Rights. In lieu of such fractional Rights, there shall be paid to the registered holders of the Right Certificates with regard to which such fractional Rights would otherwise be issuable, an amount in cash equal to the same fraction of the current market value of a whole Right. For the purposes of this Section 14(a), the current market value of a whole Right shall be the closing price of the Rights for the Trading Day immediately prior to the date on which such fractional Rights would have been otherwise issuable. The closing price for any day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Rights are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Rights are listed or admitted to trading or, if the Rights are not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by NASDAQ or such other system then in use or, if on any such date the Rights are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Rights selected by the Board of Directors of the Corporation. If on any such date no such market maker is making a market in the Rights, the fair value of the Rights on such date as determined in good faith by the Board of Directors of the Corporation shall be used.

(b) The Corporation shall not be required to issue fractions of Preferred Shares (other than fractions which are one one-hundredths or integral multiples of one one-hundredth of a Preferred Share) upon exercise of the Rights or to distribute certificates which evidence fractional Preferred Shares (other than fractions which are one one-hundredths or integral multiples of one one-hundredth of a Preferred Share). Fractions of Preferred Shares in integral multiples of one one-hundredth of a Preferred Share may, at the election of the corporation, be evidenced by depositary receipts, pursuant to an appropriate agreement between the Corporation and a depositary selected by it; provided that such agreement shall provide that the holders of such depositary receipts shall have the rights, privileges and preferences to which they are entitled as beneficial owners of the Preferred Shares represented by such depositary receipts. In lieu of fractional Preferred Shares that are not one one-hundredth or integral multiples of one one-hundredth of a Preferred Share, the Corporation shall pay to the registered holders of Right Certificates at the time such Rights are exercised as herein provided an amount in cash equal to the same fraction of the current market value of one Preferred Share. For the purposes of this Section 14(b), the current market value of a Preferred Share shall be the closing price of a Preferred Share (as determined pursuant to Section 11(d)(ii) hereof) for the Trading Day immediately prior to the date of such exercise.

(c) Following the occurrence of one of the transactions or events specified in Section 11 giving rise to the right to receive Common Shares, capital stock equivalents (other than Preferred Shares) or other securities upon the exercise of a Right, the Corporation shall not be required to issue fractions of shares or units of such Common Shares, capital stock equivalents or other securities upon exercise of the Rights or to distribute certificates which evidence fractions of such Common Shares, capital stock equivalents or other securities. In lieu of fractional shares or units of such Common Shares, capital stock equivalents or other securities, the Corporation may pay to the registered holders of Right Certificates at the time such Rights are exercised as herein provided an amount in cash equal to the same fraction of the current market value of a share or unit of such Common Shares, capital stock equivalents or other securities. For purposes of this Section 14(c), the current market value shall be determined in the manner set forth in Section 11(d) hereof for the Trading Day immediately prior to the date of such exercise and, if such capital stock equivalent is not traded, each such capital stock equivalent shall have the value of one one-hundredth of a Preferred Share.

(d) The holder of a Right by the acceptance of the Right expressly waives his right to receive any fractional Rights or any fractional share upon exercise of a Right (except as provided above).

Section 15. Rights of Action. All rights of action in respect of this Agreement, excepting the rights of action given to the Rights Agent under Section 18 hereof, are vested in the respective registered holders of the Right Certificates (and, prior to the Distribution Date, the registered holders of the Common Shares); and any registered holder of any Right Certificate (or, prior to the Distribution Date, of the Common Shares), without the consent of the Rights Agent or of the holder of any other Right Certificate (or, prior to the Distribution Date, of the Common Shares), may, in his own behalf and for his own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Corporation to enforce, or otherwise act in respect of, his right to exercise the Rights evidenced by such Right Certificate in the manner provided in such Right Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person subject to, this Agreement.

Section 16. Agreement of Right Holders. Every holder of a Right, by accepting the same, consents and agrees with the Corporation and the Rights Agent and with every other holder of a Right that:

(a) prior to the Distribution Date, the Rights will be transferable only in connection with the transfer of the Common Shares;

(b) after the Distribution Date, the Right Certificates are transferable only on the registry books of the Rights Agent if surrendered at the principal office or offices of the Rights Agent designated for such purpose, duly endorsed or accompanied by a proper instrument of transfer and with the appropriate form fully executed;

(c) subject to Section 6 and Section 7(f) hereof, the Corporation and the Rights Agent may deem and treat the person in whose name the Right Certificate (or, prior to the Distribution Date, the associated Common Shares certificate) is registered in the records of the Corporation as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on the Right Certificate or the associated Common Shares certificate made by anyone other than the Corporation or the Rights Agent) for all purposes whatsoever, and neither the Corporation nor the Rights Agent, subject to the last sentence of Section 7(e) hereof, shall be required to be affected by any notice to the contrary; and

(d) notwithstanding anything in this Agreement to the contrary, neither the Corporation nor the Rights Agent shall have any liability to any holder of a Right or a beneficial interest in a Right or other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation; provided, however, the Corporation must use its best efforts to have any such order, decree or ruling lifted or otherwise overturned as soon as possible.

Section 17. Right Certificate Holder Not Deemed a Stockholder. No holder, as such, of any Right Certificate shall be entitled to vote, receive dividends or be deemed for any purpose the holder of the Preferred Shares or any other securities of the Corporation which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Right Certificate be construed to confer upon the holder of any Right Certificate, as such, any of the rights of a stockholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in Section 25 hereof), or to receive dividends or other distributions or to exercise any preemptive or subscription rights, or otherwise, until the Right or Rights evidenced by such Right Certificate shall have been exercised in accordance with the provisions hereof.

Section 18. Concerning the Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, its reasonable expenses and counsel fees and

other disbursements incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Corporation also agrees to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, or expense, incurred without negligence, bad faith or willful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the costs and expenses of defending against any claim of liability in the premises.

The Rights Agent shall be protected and shall incur no liability for, or in respect of any action taken, suffered or omitted by it in connection with, its administration of this Agreement in reliance upon any Right Certificate or certificate for Common Shares or for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

Section 19. Merger or Consolidation or Change of Name of Rights Agent. Any corporation into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent shall be a party, or any corporation succeeding to the stock transfer or all or substantially all of the corporate trust business of the Rights Agent or any successor Rights Agent, shall be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 21 hereof. In case at the time such successor Rights Agent shall succeed to the agency created by this Agreement, any of the Right Certificates shall have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of a predecessor Rights Agent and deliver such Right Certificates so countersigned; and in case at that time any of the Right Certificates shall not have been countersigned, any successor Rights Agent may countersign such Right Certificates in its name as the successor Rights Agent; and in all such cases such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

In case at any time the name of the Rights Agent shall be changed and at such time any of the Right Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Right Certificates so countersigned; and in case at that time any of the Right Certificates shall not have been countersigned, the Rights Agent may countersign such Right Certificates either in its prior name or in its changed name; and in all such cases such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

Section 20. Duties of Rights Agent. The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Corporation and the holders of Right Certificates, by their acceptance thereof, shall be bound and no implied duties or obligations shall be read into this Agreement against the Rights Agent:

(a) The Rights Agent may consult with legal counsel (who may be legal counsel for the Corporation), and the opinion of such counsel shall be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.

(b) Whenever in the performance of its duties under this Agreement the Rights Agent shall deem it necessary or desirable that any fact or matter (including, without limitation, the identity of an Acquiring Person and the determination of the current market price of any Security) be proved or established by the Corporation prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by any one of the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer or the Secretary of the Corporation and delivered to the Rights Agent; and such certificate shall be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

(c) The Rights Agent shall be liable hereunder only for its own gross negligence, bad faith or willful misconduct.

(d) The Rights Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the Right Certificates (except its countersignature on such Right Certificates) or be required to verify the same, but all such statements and recitals are and shall be deemed to have been made by the Corporation only.

(e) The Rights Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Rights Agent) or in respect of the validity or execution of any Right Certificate (except its countersignature thereof); nor shall it be responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; nor shall it be responsible for any adjustment required under the provisions of Section 11 or Section 13 hereof or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights evidenced by Right Certificates after receipt of the certificate described in Section 12

hereof); nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any Preferred Shares or Common Shares or other securities to be issued pursuant to this Agreement or any Right Certificate or as to whether any Preferred Shares or Common Shares or other securities will, when issued, be validly authorized and issued, fully paid and nonassessable.

(f) The Corporation agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement.

(g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any one of the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer or the Secretary of the Corporation, and to apply to such officers for advice or instructions in connection with its duties, and shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such officer. Any application by the Rights Agent for written instructions from the Corporation may, at the option of the Rights Agent, set forth in writing any action proposed to be taken or omitted by the Rights Agent under this Rights Agreement and the date on or after which such action shall be taken or such omission shall be effective. The Rights Agent shall not be liable for any action taken by, or omission of, the Rights Agent in accordance with a proposal included in any such application on or after the date specified in such application (which date shall not be less than five Business Days after the date any officer of the Corporation actually receives such application, unless any such officer shall have consented in writing to an earlier date) unless, prior to taking any such action (or the effective date in the case of an omission), the Rights Agent shall have received written instruction in response to such application specifying the action to be taken or omitted.

(h) The Rights Agent and any stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in any of the Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the Corporation may be interested, or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity.

(i) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent shall not be answerable or accountable for any

act, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

(j) No provision of this Agreement shall require the Rights Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnification against such risk or liability is not reasonably assured to it.

(k) If, with respect to any Rights Certificate surrendered to the Rights Agent for exercise or transfer, the certificate attached to the form of assignment or form of election to purchase, as the case may be, has not been completed, the Rights Agent shall not take any further action with respect to such requested exercise of transfer without receiving written instructions from the Corporation.

(l) The Rights Agent shall have no responsibility to the Company, any holders of Rights, any holders of Common Stock or any holders of Preferred Stock for interest or earnings on any monies held by the Rights Agent pursuant to this Agreement.

(m) The Rights Agent shall not be required to take notice or be deemed to have notice of any fact, event or determination (including, without limitation, any dates or events defined in this Agreement or the designation of any Person as an Acquiring Person, Affiliate or Associate) under this Agreement unless and until the Rights Agent shall be specifically notified in writing by the Company of such fact, event or determination, and all notices shall be effective if given in accordance with Section 26 hereof, and in the absence of such notice the Rights Agent may conclusively assume that no such event or condition exists.

Section 21. Change of Rights Agent. The Rights Agent or any successor Rights Agent may resign and be discharged from its duties under this Agreement upon thirty (30) days' notice in writing mailed to the Corporation and to each transfer agent of the Preferred Shares or Common Shares by registered or certified mail, and to the holders of the Right Certificates by first-class mail. The Corporation may remove the Rights Agent or any successor Rights Agent upon sixty (60) days' notice in writing, mailed to the Rights Agent or successor Rights Agent, as the case may be, and to each transfer agent of the Preferred Shares or Common Shares by registered or certified mail, and to holders of the Right Certificates by first-class mail. If the Rights Agent shall resign or be removed or shall otherwise become incapable of acting, the Corporation shall appoint a successor to the Rights Agent. If the Corporation shall fail to make such appointment within a period of sixty (60) days after giving notice of such removal or after it has been notified in writing of such resignation or incapacity by

the resigning or incapacitated Rights Agent or by the holder of a Right Certificate (who shall, with such notice, submit his Right Certificate for inspection by the Corporation), then the registered holder of any Right Certificate or the resigning or incapacitated Rights Agent may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Corporation or by such a court, shall be a corporation organized and doing business under the laws of the United States or any state of the United States, in good standing, which is authorized under such laws to exercise corporate trust or stock transfer powers and is subject to supervision or examination by federal or state authority and which has at the time of its appointment as Rights Agent a combined capital and surplus of at least \$100,000,000 (or such lower number as approved by the Corporation's Board of Directors). After appointment, the successor Rights Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed and the duties and obligations of the resigning or incapacitated Rights Agent shall cease and terminate; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment the Corporation shall file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Preferred Shares or Common Shares and mail a notice thereof in writing to the registered holders of the Right Certificates. Failure to give any notice provided for in this Section 21, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 22. Issuance of New Right Certificates. Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Corporation may, at its option, issue new Right Certificates evidencing Rights in such form as may be approved by its Board of Directors to reflect any adjustment or change in the Purchase Price and the number or kind or class of shares or other securities or property purchasable under the Right Certificates made in accordance with the provisions of this Agreement.

In addition, in connection with the issuance or sale of Common Shares following the Distribution Date and prior to the earliest of the Redemption Date, the Final Expiration Date and the consummation of a transaction contemplated by Section 13(d) hereof, the Corporation (a) shall with respect to Common Shares so issued or sold pursuant to the exercise of stock options or under any employee plan or arrangement, or upon the exercise, conversion or exchange of securities, notes or debentures issued by the Corporation, and (b) may, in any other case, if deemed necessary or appropriate by the Board of Directors of the Corporation, issue Right Certificates representing the appropriate number of Rights in connection with such issuance or sale; provided, however, that no Right Certificate shall be issued if, and to the extent that, appropriate adjustment shall otherwise have been made in lieu of the issuance thereof.

Section 23. Redemption and Termination. (a) (i) The Board of Directors of the Corporation may, at its option, redeem all but not less than all the then outstanding Rights at a redemption price of \$0.005 per Right, as such amount may be appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof (such redemption price being hereinafter referred to as the "Redemption Price"), at any time prior to the earlier of (x) the occurrence of a Section 11(a)(ii) Event, or (y) the Final Expiration Date, and the Corporation may, at its option, pay the Redemption Price either in Common Shares (based on the current per share market price, as defined in Section 11(d) hereof, of the Common Shares at the time of redemption) or cash; provided, however, that if the Corporation elects to pay the Redemption Price in Common Shares, the Corporation shall not be required to issue any fractional Common Shares and the number of Common Shares issuable to each holder of Rights shall be rounded down to the next whole share.

(b) In addition, the Board of Directors of the Corporation may, at its option, at any time following a Shares Acquisition Date but prior to any Section 13 Event, redeem all but not less than all of the then outstanding Rights at the Redemption Price in connection with any Section 13 Event in which all holders of Common Shares are treated alike and not involving (other than as a holder of Common Shares being treated like all other such holders) a Transaction Person.

(c) In the case of a redemption permitted under Section 23(a)(i), immediately upon the date for redemption set forth (or determined in the manner specified in) in a resolution of the Board of Directors of the Corporation ordering the redemption of the Rights, evidence of which shall have been filed with the Rights Agent, and without any further action and without any notice, the right to exercise the Rights will terminate and the only right thereafter of the holders of Rights shall be to receive the Redemption Price for each Right so held. In the case of a redemption permitted only under Section 23(a)(ii), evidence of which shall have been filed with the Rights Agent, the right to exercise the Rights will terminate and represent only the right to receive the Redemption Price upon the later of ten Business Days following the giving of notice or the expiration of any period during which the rights under Section 11(a)(ii) may be exercised. The Corporation shall promptly give public notice of any such redemption; provided, however, that the failure to give, or any defect in, any such notice shall not affect the validity of such redemption. Within ten (10) days after such date for redemption set forth in a resolution of the Board of Directors ordering the redemption of the Rights, the Corporation shall mail a notice of redemption to all the holders of the then outstanding Rights at their last addresses as they appear upon the registry books of the Rights Agent or, prior to the Distribution Date, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made. Neither the Corporation nor any of its Affiliates or Associates may redeem, acquire or purchase for value any

Rights at any time in any manner other than that specifically set forth in this Section 23 and other than in connection with the purchase of Common Shares prior to the Distribution Date.

(d) In the case of a redemption permitted under Section 23(a)(i), the Corporation may, at its option, discharge all of its obligations with respect to the Rights by (i) issuing a press release announcing the manner of redemption of the Rights in accordance with this Agreement and (ii) mailing payment of the Redemption Price to the registered holders of the Rights at their last addresses as they appear on the registry books of the Rights Agent or, prior to the Distribution Date, on the registry books of the Transfer Agent of the Common Shares, and upon such action, all outstanding Rights and Right Certificates shall be null and void without any further action by the Corporation.

Section 24. Exchange. (a) The Board of Directors of the Corporation may, at its option, at any time after the time that any Person becomes an Acquiring Person, exchange all or part of the then outstanding and exercisable Rights (which shall not include Rights that have become void pursuant to the provisions of Section 7(e) and Section 11(a)(ii) hereof) for Common Shares of the Corporation at an exchange ratio of one Common Share per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction involving either the Common Shares or the Preferred Shares occurring after the date hereof (such exchange ratio being hereinafter referred to as the "Exchange Ratio"). Notwithstanding the foregoing, the Board of Directors shall not be empowered to effect such exchange at any time after any Person (other than the Corporation, any Subsidiary of the Corporation, any employee benefit plan of the Corporation or any such Subsidiary, any entity holding Common Shares for or pursuant to the terms of any such plan or any trustee, administrator or fiduciary of such a plan), together with all Affiliates and Associates of such Person, becomes the Beneficial Owner of 50% or more of the Common Shares then outstanding.

(b) Immediately upon the action of the Board of Directors of the Corporation ordering the exchange of any Rights pursuant to subsection (a) of this Section 24 and without any further action and without any notice, the right to exercise such rights shall terminate and the only right thereafter of a holder of such Rights shall be to receive that number of Common Shares equal to the number of such rights held by such holder multiplied by the Exchange Ratio. The Corporation shall promptly give public notice of any such exchange; provided, however, that the failure to give, or any defect in, such notice shall not affect the validity of such exchange. The Corporation promptly shall mail a notice of any such exchange to all of the holders of such Rights at their last addresses as they appear upon the registry books of the Rights Agent. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of exchange will state the method by which the exchange of the Common Shares for Rights will be effected and, in the event of any partial exchange, the number of Rights which will be exchanged. Any partial exchange shall be effected pro rata based on the number of Rights (other

than Rights which have become void pursuant to the provisions of Section 7(e) and Section 11(a)(ii) hereof) held by each holder of Rights.

(c) In any exchange pursuant to this Section 24, the Corporation, at its option, may substitute Preferred Shares (or equivalent preferred shares, as such term is defined in Section 11(b) hereof) for some or all of the Common Shares exchangeable for Rights, at the initial rate of one-hundredth of a Preferred Share (or equivalent preferred share) for each Common Share, as appropriately adjusted to reflect adjustments in the voting rights of the Preferred Shares pursuant to the terms thereof, so that the fraction of a Preferred Share delivered in lieu of each Common Share shall have the same voting rights as one Common Share.

(d) The Board of Directors of the Corporation shall not authorize any exchange transaction referred to in Section 24(a) hereof unless at the time such exchange is authorized there shall be sufficient Common Shares or Preferred Shares issued but not outstanding or authorized but unissued to permit the exchange of Rights as contemplated in accordance with this Section 24.

Section 25. Notice of Certain Events. (a) In case the Corporation shall propose (i) to pay any dividend payable in stock of any class to the holders of its Preferred Shares or to make any other distribution to the holders of its Preferred Shares (other than a regularly quarterly cash dividend), (ii) to offer to the holders of its Preferred Shares rights or warrants to subscribe for or to purchase any additional Preferred Shares or shares of stock of any class or any other securities, rights or options, (iii) to effect any reclassification of its Preferred Shares (other than a reclassification involving only the subdivision of outstanding Preferred Shares), (iv) to effect any consolidation or merger into or with any other Person (other than a Subsidiary of the Corporation in a transaction which does not violate Section 11(o) hereof), or to effect any sale or other transfer (or to permit one or more of its Subsidiaries to effect any sale or other transfer) in one or more transactions, of 50% or more of the assets or earning power of the Corporation and its Subsidiaries (taken as a whole) to any other Person or Persons (other than the Corporation and/or any of its Subsidiaries in one or more transactions each of which does not violate Section 11(o) hereof), or (v) to effect the liquidation, dissolution or winding up of the Corporation, then, in each such case, the Corporation shall give to each holder of a Right Certificate, in accordance with Section 26 hereof, a notice of such proposed action to the extent feasible and file a certificate with the Rights Agent to that effect, which shall specify the record date for the purposes of such stock dividend, or distribution of rights or warrants, or the date on which such reclassification, consolidation, merger, sale, transfer, liquidation, dissolution, or winding up is to take place and the date of participation therein by the holders of the Preferred Shares, if any such date is to be fixed, and such notice shall be so given in the case of any action covered by clause (i) or (ii) above at least twenty (20) days prior to the record date for determining holders of the Preferred Shares for purposes of such action, and in the case of any such other action, at least twenty (20) days prior to the date of

the taking of such proposed action or the date of participation therein by the holders of the Preferred Shares, whichever shall be the earlier.

(b) In case of a Section 11(a)(ii) Event, then (i) the Corporation shall as soon as practicable thereafter give to each holder of a Right Certificate, in accordance with Section 26 hereof, a notice of the occurrence of such event, which notice shall describe such event and the consequences of such event to holders of Rights under Section 11(a)(ii) hereof and (ii) all references in the preceding paragraph (a) to Preferred Shares shall be deemed thereafter to refer also, if appropriate, to Common Shares and/or, if appropriate, other securities of the Corporation.

Section 26. Notices. Notices or demands authorized by this Agreement to be given or made by the Rights Agent or by the holder of any Right Certificate to or on the Corporation shall be sufficiently given or made if sent by registered or certified mail, postage prepaid, return receipt required addressed (until another address is filed in writing with the Rights Agent) as follows:

ONEOK, Inc.
100 West Fifth Street
Tulsa, Oklahoma 74103

Subject to the provisions of Section 21 hereof, any notice or demand authorized by this Agreement to be given or made by the Corporation or by the holder of any Right Certificate to or on the Rights Agent shall be sufficiently given or made if sent by registered or certified mail, postage prepaid, return receipt required addressed (until another address is filed in writing with the Corporation) as follows:

UMB Bank, N.A., as Rights Agent
Attn: Corporate Trust
2401 Grand Blvd.
Kansas City, Missouri 64141-6692

Notices or demands authorized by this Agreement to be given or made by the Corporation or the Rights Agent to the holder of any Right Certificate or, if prior to the Distribution Date, to the holder of certificates representing Common Shares shall be sufficiently given or made if sent by first-class mail, postage prepaid, addressed to such holder at the address of such holder as shown on the registry books of the Corporation.

Section 27. Supplements and Amendments. Prior to the Distribution Date, the Corporation and the Rights Agent shall, if the Corporation so directs, supplement or amend any provision of this Agreement with-

out the approval of any holders of certificates representing Common Shares. From and after the Distribution Date, the Corporation and the Rights Agent shall, if the Corporation so directs, supplement or amend this Agreement without the approval of any holders of Right Certificates in order (i) to cure any ambiguity, (ii) to correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions herein, (iii) to shorten or lengthen any time period hereunder or (iv) to change or supplement the provisions hereunder in any manner which the Corporation may deem necessary or desirable and which shall not adversely affect the interests of the holders of Right Certificates (other than an Acquiring Person or an Affiliate or Associate of an Acquiring Person); provided, however, that this Agreement may not be supplemented or amended to lengthen, pursuant to clause (iii) of this sentence, (A) a time period relating to when the Rights may be redeemed at such time as the Rights are not then redeemable, or (B) any other time period unless such lengthening is for the purpose of protecting, enhancing or clarifying the rights of, and/or the benefits to, the holders of Rights. Upon the delivery of a certificate from an appropriate officer of the Corporation which states that the proposed supplement or amendment is in compliance with the terms of this Section 27, the Rights Agent shall execute such supplement or amendment, provided that such supplement or amendment does not adversely affect the rights or obligations of the Rights Agent under Section 18 or Section 20 of this Agreement. Prior to the Distribution Date, the interests of the holders of Rights shall be deemed coincident with the interests of the holders of Common Shares.

Section 28. Determination and Actions by the Board of Directors, etc. The Board of Directors of the Corporation shall have the exclusive power and authority to administer this Agreement and to exercise all rights and powers specifically granted to the Board, or the Corporation, or as may be necessary or advisable in the administration of this Agreement, including, without limitation, the right and power to (i) interpret the provisions of this Agreement, and (ii) make all determinations deemed necessary or advisable for the administration of this Agreement (including, without limitation, a determination to redeem or not redeem the Rights or to amend the Agreement and whether any proposed amendment adversely affects the interests of the holders of Right Certificates). For all purposes of this Agreement, any calculation of the number of Common Shares or other securities outstanding at any particular time, including for purposes of determining the particular percentage of such outstanding Common Shares or any other securities of which any Person is the Beneficial Owner, shall be made in accordance with the last sentence of Rule 13d-3(d)(1)(i) of the General Rules and Regulations under the Exchange Act as in effect on the date of this Agreement. All such actions, calculations, interpretations and determinations (including, for purposes of clause (y) below, all omissions with respect to the foregoing) which are done or made by the Board in good faith, shall (x) be final, conclusive and binding on the Corporation, the Rights Agent, the holders of the Right Certificates and all other parties, and (y) not subject the Board to any liability to the holders of the Right Certificates.

Section 29. Successors. All the covenants and provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 30. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any person or corporation other than the Corporation, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Shares) any legal or equitable right, remedy or claim under this Agreement; but this Agreement shall be for the sole and exclusive benefit of the Corporation, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Shares).

Section 31. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 32. Governing Law. This Agreement, each Right and each Right Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of Oklahoma and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts to be made and performed entirely within such State, except for Sections 18, 19, 20 and 21 hereof and relating to the rights, duties and obligations of the Rights Agent, which shall be governed by the laws of the State of Missouri, without reference to its choice of law rules.

Section 33. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 34. Descriptive Headings. Descriptive headings of the several Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and attested, all as of the date and year first above written.

ONEOK, Inc.

By: _____
Name:
Title:

UMB Bank, N.A., as Rights Agent

By: _____
Name:
Title:

Form of Right Certificate

Certificate No. R-

Rights

Not exercisable after [_____, 2013], or earlier if redeemed by the corporation. The rights are subject to redemption at \$.01 per right on the terms set forth in the rights agreement.

Under certain circumstances set forth in the rights agreement, rights issued to, or held by, any person who is, was or becomes an acquiring person or an affiliate or associate thereof (as defined in the rights agreement) and certain related persons, whether currently held by or on behalf of such person or by any subsequent holder, shall become null and void.

RIGHT CERTIFICATE

ONEOK, Inc.

This certifies that _____, or registered assigns, is the registered owner of the number of Rights set forth above, each of which entitles the owner thereof, subject to the terms, provisions and conditions of the Amended and Restated Rights Agreement, dated as of _____, 2003 (the "Rights Agreement"), between ONEOK, Inc., an Oklahoma corporation (the "Corporation"), and UMB Bank, N.A. (the "Rights Agent"), to purchase from the Corporation at any time after the Distribution Date (as such term is defined in the Rights Agreement) and prior to 5:00 P.M., New York City time, on [_____, 2013], unless the Rights evidenced hereby shall have been previously redeemed by the Corporation, at the principal office or offices of the Rights Agent designated for such purpose, or at the office of its successor as Rights Agent, one one-hundredth of a fully paid non-assessable share of Series C Participating Preferred Stock, par value \$0.01 per share (the "Preferred Shares"), of the Corporation, at a purchase price of \$40.00 per one one-hundredth of a Preferred Share (the "Purchase Price"), upon presentation and surrender of this Right Certificate with the Form of Election to Purchase duly executed. The number of Rights evidenced by this Right Certificate (and the number of one one-hundredths of a Preferred Share which may be purchased upon exercise hereof) set forth above, and the Purchase Price set forth above, are the number and Purchase Price as of _____, 2003 based on the Preferred Shares as constituted at such date.

Upon the occurrence of a Section 11(a)(ii) Event (as such term is defined in the Rights Agreement), if the Rights evidenced by this Right Certificate are beneficially owned by _____

(i) an Acquiring Person or an Affiliate or Associate of any such Acquiring Person (as such terms are defined in the Rights Agreement), (ii) a transferee of any such Acquiring Person, Associate or Affiliate who becomes a transferee after the Acquiring Person becomes such, or (iii) under certain circumstances specified in the Rights Agreement, a transferee of any such Acquiring Person, Associate or Affiliate who becomes a transferee prior to or concurrently with the Acquiring Person becoming such, such Rights shall become null and void and no holder hereof shall have any right with respect to such Rights from and after the occurrence of such Section 11(a)(ii) Event.

As provided in the Rights Agreement, the Purchase Price and the number of one one-hundredths of a Preferred Share or other securities which may be purchased upon the exercise of the Rights evidenced by this Right Certificate are subject to modification and adjustment upon the happening of certain events, including Triggering Events (as such term is defined in the Rights Agreement).

This Right Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities hereunder of the Rights Agent, the Corporation and the holders of the Right Certificates, which limitations of rights include the temporary suspension of the exercisability of such Rights under the specific circumstances set forth in the Rights Agreement. Copies of the Rights Agreement are on file at the principal executive offices of the Corporation and the principal office or offices of the Rights Agent.

This Right Certificate, with or without other Right Certificates, upon surrender at the principal office of the Rights Agent, may be exchanged for another Right Certificate or Right Certificates of like tenor and date evidencing Rights entitling the holder to purchase a like aggregate number of Preferred Shares or other securities as the Rights evidenced by the Right Certificate or Right Certificates surrendered shall have entitled such holder to purchase. If this Right Certificate shall be exercised in part, the holder shall be entitled to receive upon surrender hereof another Right Certificate or Right Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Certificate may be redeemed by the Corporation at a redemption price of \$.01 per Right (subject to adjustment as provided in the Rights Agreement) payable in Common Shares or cash.

The Corporation shall not be required to issue fractions of Rights or to distribute Right Certificates which evidence fractional Rights. In lieu of such fractional Rights, there shall be paid to the registered holders of the Right Certificates with regard to which such

fractional Rights would otherwise be issuable, an amount in cash equal to the same fraction of the current market value of a whole Right as defined in the Rights Agreement.

The Corporation will not be required to issue fractions of Preferred Shares (other than fractions which are one one-hundredths or integral multiples of one one-hundredth of a Preferred Share) upon exercise of the Rights or to distribute certificates which evidence fractional Preferred Shares (other than fractions which are one one-hundredths or integral multiples of one one-hundredth of a Preferred Share). In lieu of fractional Preferred Shares other than fractions that are multiples of one one-hundredth of a Share, the Corporation will pay to the registered holders of Right Certificates at the time such Rights are exercised an amount in cash equal to the same fraction of the current market value of one Preferred Share as defined in the Rights Agreement.

No holder of this Right Certificate shall be entitled to vote or receive dividends or be deemed for any purpose the holder of the Preferred Shares or of any other securities of the Corporation which may at any time be issuable on the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a stockholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in the Rights Agreement), or to receive dividends or other distributions or to exercise any preemptive or subscription rights, or otherwise, until the Right or Rights evidenced by this Right Certificate shall have been exercised as provided in the Rights Agreement.

This Right Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the signature of the proper officers of the Corporation and its corporate seal. Dated as of , [2003].

[SEAL]

ATTEST: ONEOK, Inc.

By _____	By _____
Name:	Name:
Title:	Title:

Countersigned:

UMB BANK, N.A.

By

Name:

Title:

FORM OF REVERSE SIDE OF RIGHT CERTIFICATE

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Right Certificate.)

FOR VALUE RECEIVED-----

hereby sells, assigns and transfers unto -----

(Please print name and address of transferee)

this Right Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint Attorney, to transfer the within Right Certificate on the books of the within-named Corporation, with full power of substitution.

Dated: , 2003

Signature

Signature Guaranteed:

Signatures must be guaranteed by a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., or a commercial bank, savings association, credit union or trust company having an office or correspondent in the United States or other eligible guarantor institution which is a participant in a signature guarantee medallion program.

The undersigned hereby certifies that (1) the Rights evidenced by this Right Certificate are not being sold, assigned or transferred by or on behalf of a Person who is or was an Acquiring Person or an Affiliate or Associate thereof (as such terms are defined in the Rights Agreement) and (2) after due inquiry and to the best knowledge of the undersigned, the undersigned did not acquire the Rights evidenced by this Right Certificate from any Person who is or was an Acquiring Person or an Affiliate or Associate thereof (as such terms are defined in the Rights Agreement).

Signature

FORM OF REVERSE SIDE OF RIGHT CERTIFICATE -- CONTINUED

FORM OF ELECTION TO PURCHASE

(To be executed by the registered holder if such holder desires to exercise Rights represented by the Right Certificate.)

To the Rights Agent:

The undersigned hereby irrevocably elects to exercise Rights represented by this Right Certificate to purchase the Preferred Shares, Common Shares or such other securities issuable upon the exercise of such Rights at this time as follows:

		Please Insert Number of Rights To Be Exercised
(i)	Preferred Shares Exercise	-----
(ii)	Section 11(a)(ii) Exercise	-----
(iii)	Section 13 Exercise	-----

The undersigned requests that certificates for such Preferred Shares, Common Shares or other securities be issued in the name of:

Please insert social security or other identifying number -----

(Please print name and address of transferee)

If such number of Rights shall not be all the Rights evidenced by this Right Certificate, a new Right Certificate for the balance remaining of such Rights shall be registered in the name of and delivered to:

Please insert social security or other identifying number -----

(Please print name and address of transferee)

Dated: , 2003

Signature

Signature Guaranteed:

Signatures must be guaranteed by a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., or a commercial bank, savings association, credit union or trust company having an office or correspondent in the United States or other eligible guarantor institution which is a participant in a signature guarantee medallion program.

The undersigned hereby certifies that (1) the Rights evidenced by this Right Certificate are not being exercised by or on behalf of a Person who is or was an Acquiring Person or an Affiliate or Associate thereof (as such terms are defined in the Rights Agreement) and (2) after due inquiry and to the best knowledge of the undersigned, the undersigned did not acquire the Rights evidenced by this Rights Certificate from any Person who is or was an Acquiring Person or an Affiliate or Associate thereof (as such terms are defined in the Rights Agreement).

Signature

NOTICE

The signature on the foregoing Forms of Assignment and Election and certificates must conform to the name as written upon the face of this Right Certificate in every particular, without alteration or enlargement or any change whatsoever.

In the event the certification set forth above in the Form of Assignment or the Form of Election to Purchase, as the case may be, is not completed, the Corporation and the Rights Agent will deem the Beneficial Owner of the Rights evidenced by this Right Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as such terms are defined in the Rights Agreement) and such Assignment or Election to Purchase will not be honored.

Summary of Rights to Purchase Preferred Shares

Under certain circumstances set forth in the rights agreement, rights issued to, or held by, any person who is, was or becomes an acquiring person or an affiliate or associate thereof (as defined in the rights agreement) and certain related persons, whether currently held by or on behalf of such person or by any subsequent holder, shall become null and void.

On November 26, 1997, the Board of Directors of ONEOK, Inc., an Oklahoma corporation (the "Corporation"), declared a dividend distribution of one preferred share purchase right (a "Right") for each outstanding share of Common Stock, par value \$0.01 per share (the "Common Shares"), of the Corporation. The dividend is payable to the stockholders of record as of 5:00 P.M., Eastern Standard Time, on November 26, 1997 (the "Record Date"), and with respect to Common Shares issued thereafter until the Distribution Date (as defined below) and, in certain circumstances, with respect to Common Shares issued after the Distribution Date. Except as set forth below, each Right, when it becomes exercisable, entitles the registered holder to purchase from the Corporation one one-hundredth of a share of Series C Participating Preferred Stock, par value \$0.01 per share (the "Preferred Shares") at a price of \$80.00 per one one-hundredth of a Preferred Share (the "Purchase Price"), subject to adjustment. The description and terms of the Rights are set forth in an Amended and Restated Rights Agreement, dated as of _____, 2003 (the "Rights Agreement"), between the Corporation and UMB Bank, N.A. (the "Rights Agent").

Initially, the Rights will be attached to all certificates representing Common Shares then outstanding, and no separate Right Certificates (as hereinafter defined) will be distributed. The Rights will separate from the Common Shares on the earliest to occur of (i) the first date of public announcement that a person or "group" has acquired beneficial ownership of 15% or more of the outstanding Common Shares (except pursuant to a Permitted Offer, as hereinafter defined); or (ii) 10 business days (or such later date as the Board may determine) following the commencement of, or announcement of an intention to commence, a tender offer or exchange offer the consummation of which would result in a person or group becoming an Acquiring Person (as hereinafter defined) (the earliest of such dates being called the "Distribution Date"). A person or group whose acquisition of Common Shares causes a Distribution Date pursuant to clause (i) above is an "Acquiring Person." The first date of public announcement that a person or group has become an Acquiring Person is the "Shares Acquisition Date." "Disinterested Directors" are directors who are not officers of the Corporation and who are not Acquiring Persons or their affiliates, associates or representatives of any of them, or any Person who directly or indirectly proposed or nominated as a director of the Corporation by a Transaction Person (as defined below).

Notwithstanding the foregoing, an Acquiring Person does not include (i) Westar Energy, Inc. and Westar Industries, Inc., but only with respect to Common Shares beneficially owned by them as of the date of the Amended and Restated Rights Agreement, less any Common Shares beneficially owned by them that are transferred or sold after the date of the Amended and Restated Rights Agreement.

The Rights Agreement provides that, until the Distribution Date, the Rights will be transferred with and only with the Common Shares. Until the Distribution Date (or earlier redemption or expiration of the Rights) new Common Share certificates issued after the Record Date upon transfer or new issuance of Common Shares will contain a notation incorporating the Rights Agreement by reference. Until the Distribution Date (or earlier redemption or expiration of the Rights), the surrender for transfer of any certificates for Common Shares outstanding as of the Record Date, even without such notation or a copy of this Summary of Rights being attached thereto, will also constitute the transfer of the Rights associated with the Common Shares represented by such certificate. As soon as practicable following the Distribution Date, separate certificates evidencing the Rights ("Right Certificates") will be mailed to holders of record of the Common Shares as of the close of business on the Distribution Date (and to each initial record holder of certain Common Shares issued after the Distribution Date), and such separate Right Certificates alone will evidence the Rights.

The Rights are not exercisable until the Distribution Date and will expire at 5:00 P.M., New York City time, on [_____, 2013], unless earlier redeemed by the Corporation as described below.

In the event that any person becomes an Acquiring Person (except pursuant to a Permitted Offer as defined below), each holder of a Right will have (subject to the terms of the Rights Agreement) the right (the "Flip-In Right") to receive upon exercise the number of Common Shares, or, in the discretion of the Board of Directors, of one one-hundredth of a Preferred Share (or, in certain circumstances, other securities of the Corporation) having a value (immediately prior to such triggering event) equal to two times the exercise price of the Right. Notwithstanding the foregoing, following the occurrence of the event described above, all Rights that are, or (under certain circumstances specified in the Rights Agreement) were, beneficially owned by any Acquiring Person or any affiliate or associate thereof will be null and void. A "Permitted Offer" is a tender or exchange offer for all outstanding Common Shares which is at a price and on terms determined, prior to the purchase of shares under such tender or exchange offer, by a Majority of Disinterested Directors to be adequate (taking into account all factors that such Disinterested Directors deem relevant) and otherwise in the best interests of the Corporation, its stockholders and its other relevant constituencies (other than the person or any affiliate or associate thereof on whose basis the offer is being made) taking into account all factors that such directors may deem relevant and (ii) any tender or exchange offer required or permitted to be made by the Shareholder Group (as defined in the Shareholder Agreement) pursuant to, and in accordance with, the Shareholder Agreement).

In the event that, at any time following the Shares Acquisition Date, (i) the Corporation is acquired in a merger or other business combination transaction in which the holders of all of the outstanding Common Shares immediately prior to the consummation of the transaction are not the holders of all of the surviving corporation's voting power, or (ii) more than 50% of the Corporation's assets or earning power is sold or transferred, in either case with or to an Acquiring Person or any affiliate or associate or any other person in which such Acquiring Person, affiliate or associate has an interest or any person acting on behalf of or in concert with such Acquiring Person, affiliate or associate, or, if in such transaction all holders of Common Shares are not treated alike, any other person, then each holder of a Right (except Rights which previously have been voided as set forth above) shall thereafter have the right (the "Flip-Over Right") to receive, upon exercise, common shares of the acquiring company having a value equal to two times the exercise price of the Right.

The Purchase Price payable, and the number of one-hundredths of a Preferred Share or other securities issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Preferred Shares, (ii) upon the grant to holders of the Preferred Shares of certain rights or warrants to subscribe for or purchase Preferred Shares at a price, or securities convertible into Preferred Shares with a conversion price, less than the then current market price of the Preferred Shares or (iii) upon the distribution to holders of the Preferred Shares of evidences of indebtedness or assets (excluding regular quarterly cash dividends) or of subscription rights or warrants (other than those referred to above).

The Purchase Price is also subject to adjustment in the event of a stock split of the Common Shares or a stock dividend on the Common Shares payable in Common Shares or subdivisions, consolidations or combinations of the Common Shares occurring, in any such case, prior to the Distribution Date.

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments require an adjustment of at least 1% in such Purchase Price. No fractional one-hundredths of a Preferred Share will be issued and in lieu thereof, an adjustment in cash will be made based on the market price of the Preferred Shares on the last trading day price to the date of exercise.

Preferred Shares purchasable upon exercise of the Rights will not be redeemable. Each Preferred Share will be entitled to a minimum preferential quarterly dividend payment of \$1.00 per share but, if greater, will be entitled to an aggregate dividend per share of 100 times the dividend declared per Common Share. In the event of liquidation, the holders of the Preferred Shares will be entitled to a minimum preferential liquidation payment of \$1.00 per share; thereafter, and after the holders of the Common Shares receive a liquidation payment of \$0.01 per share, the holders of the Preferred Shares and the holders of the Common Shares will share the remaining assets in the ratio of one hundred to 1 (as adjusted) for

each Preferred Share and Common Share so held, respectively. Finally, in the event of any merger, consolidation or other transaction in which Common Shares are exchanged, each Preferred Share will be entitled to receive one hundred times the amount received per Common Share. These rights are protected by customary antidilution provisions. In the event that the amount of accrued and unpaid dividends on the Preferred Shares is equivalent to at least six full quarterly dividends, the holders of the Preferred Shares shall have the right, voting as a class, to elect two directors in addition to the directors elected by the holders of the Common Shares until all cumulative dividends on the Preferred Shares have been paid through the last quarterly dividend payment date or until non-cumulative dividends have been paid regularly for at least one year.

At any time prior to the earlier to occur of (i) a person becoming an Acquiring Person or (ii) the expiration of the Rights, the Corporation may redeem the rights in whole, but not in part, at a price of \$0.01 per Right (the "Redemption Price"), which redemption shall be effective upon the action of the Board of Directors. Additionally, the Corporation may redeem the then outstanding Rights in whole but not in part, at the Redemption Price after the triggering of the Flip-in Right and before the expiration of any period during which the Flip-in Right may be exercised in connection with a merger or other business combination transaction or series of transactions involving the Corporation in which all holders of Common Shares are treated alike but not involving a Transaction Person (as defined below). Upon the effective date of the redemption of the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Corporation, including, without limitation, the right to vote or to receive dividends. While the distribution of the Rights will not be taxable to stockholders of the Corporation, stockholders may, depending upon the circumstances, recognize taxable income should the Rights become exercisable or upon the occurrence of certain events thereafter.