

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

**FORM 10-Q**

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

For the quarterly period ended **March 31, 2019**

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_



<b>Commission File Number</b>	<b>Exact name of registrant as specified in its charter, state of incorporation, address of principal executive offices and telephone number</b>	<b>I.R.S. Employer Identification Number</b>
001-38515	<b>EVERGY, INC.</b> (a Missouri corporation) 1200 Main Street Kansas City, Missouri 64105 (816) 556-2200	82-2733395
001-03523	<b>WESTAR ENERGY, INC.</b> (a Kansas corporation) 818 South Kansas Avenue Topeka, Kansas 66612 (785) 575-6300	48-0290150
000-51873	<b>KANSAS CITY POWER &amp; LIGHT COMPANY</b> (a Missouri corporation) 1200 Main Street Kansas City, Missouri 64105 (816) 556-2200	44-0308720

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

<b><u>Title of each class</u></b>	<b><u>Trading Symbol(s)</u></b>	<b><u>Name of each exchange on which registered</u></b>
Evergy, Inc. common stock	EVRG	New York Stock Exchange

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Evergy, Inc.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Westar Energy, Inc.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Kansas City Power & Light Company	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Evergy, Inc.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Westar Energy, Inc.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Kansas City Power & Light Company	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

	Large Accelerated Filer	Accelerated Filer	Non-accelerated Filer	Smaller Reporting Company	Emerging Growth Company
Evergy, Inc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Westar Energy, Inc.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kansas City Power & Light Company	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

Evergy, Inc.	<input type="checkbox"/>
Westar Energy, Inc.	<input type="checkbox"/>
Kansas City Power & Light Company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Evergy, Inc.	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Westar Energy, Inc.	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Kansas City Power & Light Company	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

On May 3, 2019, Evergy, Inc. had 244,098,475 shares of common stock outstanding. On May 3, 2019 Kansas City Power & Light Company and Westar Energy, Inc. each had one share of common stock outstanding and held by Evergy, Inc.

**Westar Energy, Inc. and Kansas City Power & Light Company meet the conditions set forth in General Instruction (H)(1)(a) and (b) of Form 10-Q and are therefore filing this Form 10-Q with the reduced disclosure format.**

This combined Quarterly Report on Form 10-Q is provided by the following registrants: Evergy, Inc. (Evergy), Westar Energy, Inc. (Westar Energy) and Kansas City Power & Light Company (KCP&L) (collectively, the Evergy Companies). Information relating to any individual registrant is filed by such registrant solely on its own behalf. Each registrant makes no representation as to information relating exclusively to the other registrants.

This report should be read in its entirety. No one section of the report deals with all aspects of the subject matter. It should be read in conjunction with the consolidated financial statements and related notes and with the management's discussion and analysis of financial condition and results of operations included in the 2018 Form 10-K for each of Evergy, Westar Energy and KCP&L.

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## **CAUTIONARY STATEMENTS REGARDING CERTAIN FORWARD-LOOKING INFORMATION**

Statements made in this report that are not based on historical facts are forward-looking, may involve risks and uncertainties, and are intended to be as of the date when made. Forward-looking statements include, but are not limited to, statements relating to the expected financial and operational benefits of the merger of Great Plains Energy Incorporated (Great Plains Energy) and Westar Energy that resulted in the creation of Evergy (including cost savings, operational efficiencies and the impact of the merger on earnings per share), cost estimates of capital projects, dividend growth, share repurchases, balance sheet and credit ratings, rebates to customers, the outcome of regulatory and legal proceedings, employee issues and other matters affecting future operations.

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Evergy Companies are providing a number of important factors that could cause actual results to differ materially from the provided forward-looking information. These important factors include: future economic conditions and any related impact on sales, prices and costs; prices and availability of electricity in wholesale markets; market perception of the energy industry and the Evergy Companies; changes in business strategy or operations; the impact of unpredictable federal, state and local political, legislative, judicial and regulatory actions or developments, including deregulation, re-regulation and restructuring of the electric utility industry; decisions of regulators regarding rates that Westar Energy and KCP&L (or other regulated subsidiaries of Evergy) can charge for electricity; changes in applicable laws, regulations, rules, principles or practices, or the interpretations thereof, governing tax, accounting and environmental matters, including air and water quality and waste management and disposal; changes in the energy trading markets in which the Evergy Companies participate, including retroactive repricing of transactions by regional transmission organizations (RTO) and independent system operators; the impact of climate change, including reduced demand for coal-based energy because of actual or perceived climate impacts and the development of alternate energy sources; financial market conditions and performance, including changes in interest rates and credit spreads and in availability and cost of capital and the effects on derivatives and hedges, nuclear decommissioning trust and pension plan assets and costs; impairments of long-lived assets or goodwill; credit ratings; inflation rates; effectiveness of risk management policies and procedures and the ability of counterparties to satisfy their contractual commitments; impact of terrorist acts, including cyber terrorism; ability to carry out marketing and sales plans; weather conditions, including weather-related damage and the impact on sales, prices and costs; cost, availability, quality and timely provision of equipment, supplies, labor and fuel; the inherent uncertainties in estimating the effects of weather, economic conditions, climate change and other factors on customer consumption and financial results; ability to achieve generation goals and the occurrence and duration of planned and unplanned generation outages; delays in the anticipated in-service dates and cost increases of generation, transmission, distribution or other projects; the Evergy Companies' ability to successfully manage their transmission and distribution development plans and transmission joint ventures; the inherent risks associated with the ownership and operation of a nuclear facility, including environmental, health, safety, regulatory and financial risks; workforce risks, including increased costs of retirement, health care and other benefits; the possibility that the expected value creation from the merger will not be realized, or will not be realized within the expected time period; difficulties related to the integration of the two companies; disruption from the merger making it more difficult to maintain relationships with customers, employees, regulators or suppliers; the diversion of management time; and other risks and uncertainties.

This list of factors is not all-inclusive because it is not possible to predict all factors. Part II, Item 1A, Risk Factors included in this report, together with the risk factors included in the Evergy Companies' combined 2018 Form 10-K under Part I, Item 1A, should be carefully read for further understanding of potential risks for the Evergy Companies. Other sections of this report and other periodic reports filed by the Evergy Companies with the Securities and Exchange Commission (SEC) should also be read for more information regarding risk factors. Each forward-looking statement speaks only as of the date of the particular statement. The Evergy Companies undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

**GLOSSARY OF TERMS**

The following is a glossary of frequently used abbreviations or acronyms that are found throughout this report.

<b><u>Abbreviation or Acronym</u></b>	<b><u>Definition</u></b>
<b>ACE</b>	Affordable Clean Energy
<b>AEP</b>	American Electric Power Company, Inc.
<b>AFUDC</b>	Allowance for Funds Used During Construction
<b>Amended Merger Agreement</b>	Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2017, by and among Great Plains Energy, Westar Energy, Monarch Energy Holding, Inc. and King Energy, Inc.
<b>ARO</b>	Asset Retirement Obligation
<b>ASC</b>	Accounting Standards Codification
<b>ASR</b>	Accelerated share repurchase
<b>ASU</b>	Accounting Standards Update
<b>BSER</b>	Best system of emission reduction
<b>CCRs</b>	Coal combustion residuals
<b>CAA</b>	Clean Air Act Amendments of 1990
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>COLI</b>	Corporate-owned life insurance
<b>CPP</b>	Clean Power Plan
<b>CWA</b>	Clean Water Act
<b>D.C. Circuit</b>	U.S. Court of Appeals for the D.C. Circuit
<b>EGU</b>	Electric utility generating unit
<b>ELG</b>	Effluent limitations guidelines
<b>EPA</b>	Environmental Protection Agency
<b>EPS</b>	Earnings per common share
<b>ERISA</b>	Employee Retirement Income Security Act of 1974, as amended
<b>ERSP</b>	Earnings Review and Sharing Plan
<b>Evergy</b>	Evergy, Inc. and its consolidated subsidiaries
<b>Evergy Board</b>	Evergy Board of Directors
<b>Evergy Companies</b>	Evergy, Westar Energy, and KCP&L, collectively, which are individual registrants within the Evergy consolidated group
<b>Exchange Act</b>	The Securities Exchange Act of 1934, as amended
<b>FASB</b>	Financial Accounting Standards Board
<b>FERC</b>	The Federal Energy Regulatory Commission
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GHG</b>	Greenhouse gas
<b>GMO</b>	KCP&L Greater Missouri Operations Company, a wholly-owned subsidiary of Evergy
<b>GPETHC</b>	GPE Transmission Holding Company LLC, a wholly-owned subsidiary of Evergy
<b>Great Plains Energy</b>	Great Plains Energy Incorporated
<b>KCC</b>	The State Corporation Commission of the State of Kansas
<b>KCP&amp;L</b>	Kansas City Power & Light Company, a wholly-owned subsidiary of Evergy, and its consolidated subsidiaries
<b>KCP&amp;L Mortgage Indenture</b>	KCP&L General Mortgage Indenture and Deed of Trust dated as of December 1, 1986, as supplemented
<b>KDHE</b>	Kansas Department of Health & Environment
<b>KGE</b>	Kansas Gas and Electric Company, a wholly-owned subsidiary of Westar Energy

<b><u>Abbreviation or Acronym</u></b>	<b><u>Definition</u></b>
<b>King Energy</b>	King Energy, Inc., a wholly-owned subsidiary of Evergy
<b>MDNR</b>	Missouri Department of Natural Resources
<b>MECG</b>	Midwest Energy Consumers Group
<b>MEEIA</b>	Missouri Energy Efficiency Investment Act
<b>Monarch Energy</b>	Monarch Energy Holding, Inc.
<b>MPSC</b>	Public Service Commission of the State of Missouri
<b>MW</b>	Megawatt
<b>MWh</b>	Megawatt hour
<b>NAAQs</b>	National Ambient Air Quality Standards
<b>NAV</b>	Net Asset Value
<b>NO<sub>2</sub></b>	Nitrogen dioxide
<b>NRC</b>	Nuclear Regulatory Commission
<b>NSR</b>	New source review
<b>OPC</b>	Office of the Public Counsel
<b>PISA</b>	Plant-in service accounting
<b>PM</b>	Particulate matter
<b>Prairie Wind</b>	Prairie Wind Transmission, LLC, 50% owned by Westar Energy
<b>RSU</b>	Restricted share unit
<b>RTO</b>	Regional transmission organization
<b>SEC</b>	Securities and Exchange Commission
<b>SO<sub>2</sub></b>	Sulfur dioxide
<b>SPP</b>	Southwest Power Pool, Inc.
<b>TCJA</b>	Tax Cuts and Jobs Act
<b>TFR</b>	Transmission formula rate
<b>Transource</b>	Transource Energy, LLC and its subsidiaries, 13.5% owned by GPETHC
<b>VIE</b>	Variable interest entity
<b>Westar Energy</b>	Westar Energy, Inc., a wholly-owned subsidiary of Evergy, and its consolidated subsidiaries
<b>WIIN</b>	Water Infrastructure Improvements for the Nation
<b>Wolf Creek</b>	Wolf Creek Generating Station
<b>WOTUS</b>	Waters of the United States

**PART I - FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

**EVERGY, INC.**  
**Consolidated Balance Sheets**  
(Unaudited)

	<b>March 31</b>	December 31
	<b>2019</b>	2018
<b>ASSETS</b>	(millions, except share amounts)	
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 133.6	\$ 160.3
Restricted cash	414.3	—
Receivables, net	164.8	193.7
Accounts receivable pledged as collateral	359.0	365.0
Fuel inventory and supplies	466.5	511.0
Income taxes receivable	56.7	68.0
Regulatory assets	266.5	303.9
Prepaid expenses and other assets	66.2	79.1
<b>Total Current Assets</b>	<b>1,927.6</b>	<b>1,681.0</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>18,838.1</b>	<b>18,782.5</b>
<b>PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET</b>	<b>171.1</b>	<b>169.2</b>
<b>OTHER ASSETS:</b>		
Regulatory assets	1,731.6	1,757.9
Nuclear decommissioning trust fund	518.3	472.1
Goodwill	2,338.9	2,338.9
Other	535.1	396.5
<b>Total Other Assets</b>	<b>5,123.9</b>	<b>4,965.4</b>
<b>TOTAL ASSETS</b>	<b>\$ 26,060.7</b>	<b>\$ 25,598.1</b>

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

**EVERGY, INC.**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31 2019	December 31 2018
(millions, except share amounts)		
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt	\$ 701.1	\$ 705.4
Current maturities of long-term debt of variable interest entities	32.3	30.3
Notes payable and commercial paper	1,311.0	738.6
Collateralized note payable	359.0	365.0
Accounts payable	293.7	451.5
Accrued taxes	222.5	133.6
Accrued interest	150.2	110.9
Regulatory liabilities	34.5	110.2
Asset retirement obligations	52.6	49.8
Other	178.5	171.9
Total Current Liabilities	<b>3,335.4</b>	<b>2,867.2</b>
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net	7,125.9	6,636.3
Long-term debt of variable interest entities, net	18.8	51.1
Deferred income taxes	1,603.8	1,599.2
Unamortized investment tax credits	372.4	373.2
Regulatory liabilities	2,249.2	2,218.8
Pension and post-retirement liability	994.3	987.6
Asset retirement obligations	645.8	637.3
Other	323.4	236.7
Total Long-Term Liabilities	<b>13,333.6</b>	<b>12,740.2</b>
Commitments and Contingencies (Note 9)		
<b>EQUITY:</b>		
Evergy, Inc. Shareholders' Equity:		
Common stock - 600,000,000 shares authorized, without par value 244,838,786 and 255,326,252 shares issued, stated value	8,110.4	8,685.2
Retained earnings	1,325.7	1,346.0
Accumulated other comprehensive loss	(13.2)	(3.0)
Total Evergy, Inc. Shareholders' Equity	<b>9,422.9</b>	<b>10,028.2</b>
Noncontrolling Interests	(31.2)	(37.5)
Total Equity	<b>9,391.7</b>	<b>9,990.7</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 26,060.7</b>	<b>\$ 25,598.1</b>

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

**EVERGY, INC.**  
**Consolidated Statements of Comprehensive Income**  
(Unaudited)

<b>Three Months Ended March 31</b>	<b>2019</b>		<b>2018</b>	
	(millions, except per share amounts)			
OPERATING REVENUES	\$	1,216.9	\$	600.2
OPERATING EXPENSES:				
Fuel and purchased power		330.0		135.5
SPP network transmission costs		63.5		67.6
Operating and maintenance		306.9		140.1
Depreciation and amortization		213.6		89.6
Taxes other than income tax		93.3		43.9
Total Operating Expenses		1,007.3		476.7
INCOME FROM OPERATIONS		209.6		123.5
OTHER INCOME (EXPENSE):				
Investment earnings (loss)		3.2		(0.4)
Other income		8.2		2.0
Other expense		(19.4)		(10.6)
Total Other Income (Expense), Net		(8.0)		(9.0)
Interest expense		91.1		43.8
INCOME BEFORE INCOME TAXES		110.5		70.7
Income tax expense		9.3		9.2
Equity in earnings of equity method investees, net of income taxes		2.2		1.4
NET INCOME		103.4		62.9
Less: Net income attributable to noncontrolling interests		3.9		2.4
NET INCOME ATTRIBUTABLE TO EVERGY, INC.	\$	99.5	\$	60.5
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO EVERGY (see Note 1)				
Basic earnings per common share	\$	0.39	\$	0.42
Diluted earnings per common share	\$	0.39	\$	0.42
AVERAGE COMMON SHARES OUTSTANDING				
Basic		252.8		142.6
Diluted		253.0		142.7
<b>COMPREHENSIVE INCOME</b>				
NET INCOME	\$	103.4	\$	62.9
Derivative hedging activity				
Loss on derivative hedging instruments		(13.8)		—
Income tax benefit		3.6		—
Net loss on derivative hedging instruments		(10.2)		—
Derivative hedging activity, net of tax		(10.2)		—
Total other comprehensive loss		(10.2)		—
Comprehensive income		93.2		62.9
Less: comprehensive income attributable to noncontrolling interest		3.9		2.4
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO EVERGY, INC.</b>	\$	89.3	\$	60.5

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

**EVERGY, INC.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

Three Months Ended March 31	2019	2018
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
	(millions)	
Net income	\$ 103.4	\$ 62.9
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	213.6	89.6
Amortization of nuclear fuel	14.6	7.7
Amortization of deferred refueling outage	6.5	4.0
Amortization of corporate-owned life insurance	6.6	5.5
Non-cash compensation	5.4	2.5
Net deferred income taxes and credits	(2.0)	3.8
Allowance for equity funds used during construction	(0.2)	(1.1)
Payments for asset retirement obligations	(1.2)	(1.9)
Equity in earnings of equity method investees, net of income taxes	(2.2)	(1.4)
Income from corporate-owned life insurance	(9.9)	(0.7)
Other	(1.3)	(1.4)
Changes in working capital items:		
Accounts receivable	26.6	46.2
Accounts receivable pledged as collateral	6.0	—
Fuel inventory and supplies	44.6	6.9
Prepaid expenses and other current assets	35.5	(0.1)
Accounts payable	(119.4)	(24.2)
Accrued taxes	100.2	48.7
Other current liabilities	(74.7)	(11.8)
Changes in other assets	12.8	0.7
Changes in other liabilities	(2.8)	23.7
Cash Flows from Operating Activities	<b>362.1</b>	<b>259.6</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(309.0)	(174.8)
Purchase of securities - trusts	(17.9)	(85.4)
Sale of securities - trusts	15.4	86.1
Investment in corporate-owned life insurance	(2.1)	(1.0)
Proceeds from investment in corporate-owned life insurance	40.9	2.6
Other investing activities	1.3	(1.6)
Cash Flows used in Investing Activities	<b>(271.4)</b>	<b>(174.1)</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>		
Short term debt, net	572.4	14.1
Collateralized short-term borrowings, net	(6.0)	—
Proceeds from long-term debt	494.0	—
Retirements of long-term debt	(1.1)	—
Retirements of long-term debt of variable interest entities	(30.3)	(28.5)
Borrowings against cash surrender value of corporate-owned life insurance	0.6	0.7
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(30.1)	(1.7)
Cash dividends paid	(119.8)	(57.4)
Repurchase of common stock under repurchase plan	(578.3)	—
Other financing activities	(4.5)	(4.9)
Cash Flows from (used in) Financing Activities	<b>296.9</b>	<b>(77.7)</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>387.6</b>	<b>7.8</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH:</b>		
Beginning of period, including restricted cash of \$0.0 and \$0.1, respectively	160.3	3.5
End of period, including restricted cash of \$414.3 and \$0.1, respectively	\$ 547.9	\$ 11.3

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

**EVERGY, INC.**  
**Consolidated Statements of Changes in Equity**  
(Unaudited)

	Evergy, Inc. Shareholders				Non- controlling interests	Total equity
	Common stock shares	Common stock	Retained earnings	AOCI		
	(millions, except share amounts)					
<b>Balance as of December 31, 2017</b>	142,094,275	\$ 2,734.8	\$ 1,173.3	\$ —	\$ (47.7)	\$ 3,860.4
Net income	—	—	60.5	—	2.4	62.9
Issuance of stock for compensation and reinvested dividends, net of tax withholding	138,828	(3.7)	—	—	—	(3.7)
Dividends declared on common stock (\$0.40 per share)	—	—	(57.7)	—	—	(57.7)
Stock compensation expense	—	2.5	—	—	—	2.5
<b>Balance as of March 31, 2018</b>	142,233,103	\$ 2,733.6	\$ 1,176.1	\$ —	\$ (45.3)	\$ 3,864.4
<b>Balance as of December 31, 2018</b>	255,326,252	\$ 8,685.2	\$ 1,346.0	\$ (3.0)	\$ (37.5)	\$ 9,990.7
Net income	—	—	99.5	—	3.9	103.4
Issuance of stock for compensation and reinvested dividends, net of tax withholding	60,594	(1.6)	—	—	—	(1.6)
Dividends declared on common stock (\$0.475 per share)	—	—	(119.8)	—	—	(119.8)
Stock compensation expense	—	5.4	—	—	—	5.4
Repurchase of common stock under repurchase plan	(10,548,060)	(578.3)	—	—	—	(578.3)
Consolidation of noncontrolling interests	—	—	—	—	3.8	3.8
Distributions to shareholders of noncontrolling interests	—	—	—	—	(1.4)	(1.4)
Derivative hedging activity, net of tax	—	—	—	(10.2)	—	(10.2)
Other	—	(0.3)	—	—	—	(0.3)
<b>Balance as of March 31, 2019</b>	244,838,786	\$ 8,110.4	\$ 1,325.7	\$ (13.2)	\$ (31.2)	\$ 9,391.7

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

**WESTAR ENERGY, INC.**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31	December 31
	2019	2018
<b>ASSETS</b>	(millions, except share amounts)	
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 3.0	\$ 44.5
Receivables, net	90.4	84.3
Related party receivables	2.5	2.6
Accounts receivable pledged as collateral	185.0	185.0
Fuel inventory and supplies	255.0	276.8
Income taxes receivable	32.0	42.7
Regulatory assets	85.2	97.1
Prepaid expenses and other assets	25.6	35.0
<b>Total Current Assets</b>	<b>678.7</b>	<b>768.0</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>9,726.4</b>	<b>9,718.3</b>
<b>PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET</b>	<b>171.1</b>	<b>169.2</b>
<b>OTHER ASSETS:</b>		
Regulatory assets	696.4	700.4
Nuclear decommissioning trust fund	248.4	227.5
Other	291.9	233.4
<b>Total Other Assets</b>	<b>1,236.7</b>	<b>1,161.3</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,812.9</b>	<b>\$ 11,816.8</b>

The disclosures regarding Westar Energy included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**WESTAR ENERGY, INC.**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31 2019	December 31 2018
(millions, except share amounts)		
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt	\$ 300.0	\$ 300.0
Current maturities of long-term debt of variable interest entities	32.3	30.3
Notes payable and commercial paper	413.8	411.7
Collateralized note payable	185.0	185.0
Accounts payable	129.5	154.4
Related party payables	8.8	14.9
Accrued taxes	137.4	88.6
Accrued interest	93.2	74.4
Regulatory liabilities	15.3	19.5
Asset retirement obligations	17.1	17.1
Other	71.2	83.0
Total Current Liabilities	1,403.6	1,378.9
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net	3,390.0	3,389.8
Long-term debt of variable interest entities, net	18.8	51.1
Deferred income taxes	813.7	815.4
Unamortized investment tax credits	249.2	249.7
Regulatory liabilities	1,118.5	1,101.8
Pension and post-retirement liability	473.6	474.7
Asset retirement obligations	268.2	264.0
Other	155.9	130.7
Total Long-Term Liabilities	6,487.9	6,477.2
Commitments and Contingencies (Note 9)		
<b>EQUITY:</b>		
Westar Energy, Inc. Shareholder's Equity:		
Common stock - 1,000 shares authorized, \$0.01 par value, 1 share issued	2,737.6	2,737.6
Retained earnings	1,215.0	1,260.6
Total Westar Energy, Inc. Shareholder's Equity	3,952.6	3,998.2
Noncontrolling Interests	(31.2)	(37.5)
Total Equity	3,921.4	3,960.7
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 11,812.9</b>	<b>\$ 11,816.8</b>

The disclosures regarding Westar Energy included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**WESTAR ENERGY, INC.**  
**Consolidated Statements of Income**  
(Unaudited)

Three Months Ended March 31	2019	2018
	(millions)	
OPERATING REVENUES	\$ 596.8	\$ 600.2
OPERATING EXPENSES:		
Fuel and purchased power	122.7	135.5
SPP network transmission costs	63.5	67.6
Operating and maintenance	128.6	140.1
Depreciation and amortization	109.8	89.6
Taxes other than income tax	47.9	43.9
Total Operating Expenses	472.5	476.7
INCOME FROM OPERATIONS	124.3	123.5
OTHER INCOME (EXPENSE):		
Investment earnings (loss)	1.5	(0.4)
Other income	7.3	2.0
Other expense	(10.6)	(10.6)
Total Other Income (Expense), Net	(1.8)	(9.0)
Interest expense	44.9	43.8
INCOME BEFORE INCOME TAXES	77.6	70.7
Income tax expense	10.5	9.2
Equity in earnings of equity method investees, net of income taxes	1.2	1.4
NET INCOME	68.3	62.9
Less: Net income attributable to noncontrolling interests	3.9	2.4
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 64.4	\$ 60.5

The disclosures regarding Westar Energy included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**WESTAR ENERGY, INC.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

<b>Three Months Ended March 31</b>	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
	(millions)	
Net income	\$ 68.3	\$ 62.9
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	109.8	89.6
Amortization of nuclear fuel	7.3	7.7
Amortization of deferred refueling outage	3.2	4.0
Amortization of corporate-owned life insurance	6.6	5.5
Non-cash compensation	—	2.5
Net deferred income taxes and credits	(0.3)	3.8
Allowance for equity funds used during construction	—	(1.1)
Payments for asset retirement obligations	(0.3)	(1.9)
Equity in earnings of equity method investees, net of income taxes	(1.2)	(1.4)
Income from corporate-owned life insurance	(9.3)	(0.7)
Other	(1.4)	(1.4)
Changes in working capital items:		
Accounts receivable	(7.9)	46.2
Fuel inventory and supplies	21.9	6.9
Prepaid expenses and other current assets	14.8	(0.1)
Accounts payable	(7.2)	(24.2)
Accrued taxes	59.5	48.7
Other current liabilities	(18.9)	(11.8)
Changes in other assets	4.6	0.7
Changes in other liabilities	(7.0)	23.7
Cash Flows from Operating Activities	<b>242.5</b>	<b>259.6</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(151.7)	(174.8)
Purchase of securities - trusts	(7.5)	(85.4)
Sale of securities - trusts	7.2	86.1
Investment in corporate-owned life insurance	(2.1)	(1.0)
Proceeds from investment in corporate-owned life insurance	40.3	2.6
Other investing activities	(0.1)	(1.6)
Cash Flows used in Investing Activities	<b>(113.9)</b>	<b>(174.1)</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>		
Short term debt, net	2.1	14.1
Retirements of long-term debt of variable interest entities	(30.3)	(28.5)
Borrowings against cash surrender value of corporate-owned life insurance	0.6	0.7
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(30.1)	(1.7)
Cash dividends paid	(110.0)	(57.4)
Other financing activities	(2.4)	(4.9)
Cash Flows used in Financing Activities	<b>(170.1)</b>	<b>(77.7)</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(41.5)</b>	<b>7.8</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH:</b>		
Beginning of period, including restricted cash of \$0.0 and \$0.1, respectively	44.5	3.5
End of period, including restricted cash of \$0.0 and \$0.1, respectively	<b>\$ 3.0</b>	<b>\$ 11.3</b>

The disclosures regarding Westar Energy included in the accompanying Unaudited Notes to Consolidated Financial Statements are an integral part of these statements.

**WESTAR ENERGY, INC.**  
**Consolidated Statements of Changes in Equity**  
(Unaudited)

	Westar Energy, Inc. Shareholders			Non- controlling interests	Total equity
	Common stock shares	Common stock	Retained earnings		
	(millions, except share amounts)				
<b>Balance as of December 31, 2017</b>	142,094,275	\$ 2,734.8	\$ 1,173.3	\$ (47.7)	\$ 3,860.4
Net income	—	—	60.5	2.4	62.9
Issuance of stock for compensation and reinvested dividends, net of tax withholding	138,828	(3.7)	—	—	(3.7)
Dividends declared on common stock	—	—	(57.7)	—	(57.7)
Stock compensation expense	—	2.5	—	—	2.5
<b>Balance as of March 31, 2018</b>	142,233,103	\$ 2,733.6	\$ 1,176.1	\$ (45.3)	\$ 3,864.4
<b>Balance as of December 31, 2018</b>	1	\$ 2,737.6	\$ 1,260.6	\$ (37.5)	\$ 3,960.7
Net income	—	—	64.4	3.9	68.3
Dividends declared on common stock	—	—	(110.0)	—	(110.0)
Consolidation of noncontrolling interests	—	—	—	3.8	3.8
Distributions to shareholders of noncontrolling interests	—	—	—	(1.4)	(1.4)
<b>Balance as of March 31, 2019</b>	1	\$ 2,737.6	\$ 1,215.0	\$ (31.2)	\$ 3,921.4

The disclosures regarding Westar Energy included in the accompanying Unaudited Notes to Consolidated Financial Statements are an integral part of these statements.

**KANSAS CITY POWER & LIGHT COMPANY**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31	December 31
	2019	2018
<b>ASSETS</b>	(millions, except share amounts)	
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2.8	\$ 2.6
Restricted cash	414.3	—
Receivables, net	41.8	62.7
Related party receivables	81.2	101.8
Accounts receivable pledged as collateral	124.0	130.0
Fuel inventory and supplies	159.3	177.6
Regulatory assets	111.4	130.9
Prepaid expenses and other assets	35.0	36.9
<b>Total Current Assets</b>	<b>969.8</b>	<b>642.5</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>6,714.1</b>	<b>6,688.1</b>
<b>OTHER ASSETS:</b>		
Regulatory assets	471.2	495.2
Nuclear decommissioning trust fund	269.9	244.6
Other	140.1	50.1
<b>Total Other Assets</b>	<b>881.2</b>	<b>789.9</b>
<b>TOTAL ASSETS</b>	<b>\$ 8,565.1</b>	<b>\$ 8,120.5</b>

The disclosures regarding KCP&L included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**KANSAS CITY POWER & LIGHT COMPANY**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31 2019	December 31 2018
<b>LIABILITIES AND EQUITY</b>	(millions, except share amounts)	
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt	\$ 400.0	\$ 400.0
Notes payable and commercial paper	176.0	176.9
Collateralized note payable	124.0	130.0
Accounts payable	131.2	211.1
Accrued taxes	77.1	39.7
Accrued interest	41.1	28.9
Regulatory liabilities	8.1	52.8
Asset retirement obligations	29.7	29.2
Other	75.6	69.7
Total Current Liabilities	1,062.8	1,138.3
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net	2,524.6	2,130.1
Deferred income taxes	636.4	631.8
Unamortized investment tax credits	120.4	120.7
Regulatory liabilities	809.9	794.3
Pension and post-retirement liability	500.1	491.9
Asset retirement obligations	237.7	231.8
Other	156.5	81.8
Total Long-Term Liabilities	4,985.6	4,482.4
Commitments and Contingencies (Note 9)		
<b>EQUITY:</b>		
Common stock - 1,000 shares authorized, without par value, 1 share issued, stated value	1,563.1	1,563.1
Retained earnings	948.6	932.6
Accumulated other comprehensive income	5.0	4.1
Total Equity	2,516.7	2,499.8
<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 8,565.1	\$ 8,120.5

The disclosures regarding KCP&L included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**KANSAS CITY POWER & LIGHT COMPANY**  
**Consolidated Statements of Comprehensive Income**  
(Unaudited)

Three Months Ended March 31	2019	2018
	(millions)	
OPERATING REVENUES	\$ 425.4	\$ 397.1
OPERATING EXPENSES:		
Fuel and purchased power	134.9	117.5
Operating and maintenance	122.0	122.7
Depreciation and amortization	78.9	66.9
Taxes other than income tax	32.7	29.0
Total Operating Expenses	368.5	336.1
INCOME FROM OPERATIONS	56.9	61.0
OTHER INCOME (EXPENSE):		
Investment earnings	0.8	0.6
Other income	0.8	3.0
Other expense	(5.0)	(7.9)
Total Other Income (Expense), Net	(3.4)	(4.3)
Interest expense	33.8	33.0
INCOME BEFORE INCOME TAXES	19.7	23.7
Income tax expense	3.7	3.5
NET INCOME	\$ 16.0	\$ 20.2
<b>COMPREHENSIVE INCOME</b>		
NET INCOME	\$ 16.0	\$ 20.2
OTHER COMPREHENSIVE INCOME:		
Derivative hedging activity		
Reclassification to expenses, net of tax:	0.9	0.9
Derivative hedging activity, net of tax	0.9	0.9
Total Other Comprehensive Income	0.9	0.9
COMPREHENSIVE INCOME	\$ 16.9	\$ 21.1

The disclosures regarding KCP&L included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**KANSAS CITY POWER & LIGHT COMPANY**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

Three Months Ended March 31	2019	2018
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
	(millions)	
Net income	\$ 16.0	\$ 20.2
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	78.9	66.9
Amortization of nuclear fuel	7.4	7.7
Amortization of deferred refueling outage	3.2	3.9
Net deferred income taxes and credits	(5.0)	5.3
Allowance for equity funds used during construction	(0.2)	(1.4)
Payments for asset retirement obligations	(0.8)	(3.6)
Other	0.6	0.2
Changes in working capital items:		
Accounts receivable	41.9	47.9
Accounts receivable pledged as collateral	6.0	—
Fuel inventory and supplies	18.3	(2.8)
Prepaid expenses and other current assets	19.2	(2.5)
Accounts payable	(66.8)	(90.0)
Accrued taxes	37.4	25.0
Other current liabilities	(31.9)	(1.8)
Changes in other assets	8.9	16.5
Changes in other liabilities	9.2	13.5
Cash Flows from Operating Activities	<b>142.3</b>	<b>105.0</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(114.7)	(100.6)
Purchase of securities - trusts	(10.3)	(12.1)
Sale of securities - trusts	8.2	11.3
Other investing activities	1.9	0.6
Cash Flows used in Investing Activities	<b>(114.9)</b>	<b>(100.8)</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>		
Short term debt, net	(0.9)	120.8
Collateralized short-term debt, net	(6.0)	—
Proceeds from long-term debt	394.0	296.6
Retirements of long-term debt	—	(350.0)
Cash dividends paid	—	(60.0)
Cash Flows from Financing Activities	<b>387.1</b>	<b>7.4</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>414.5</b>	<b>11.6</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH:</b>		
Beginning of period, including restricted cash of \$0.0 and \$0.0, respectively	2.6	2.2
End of period, including restricted cash of \$414.3 and \$0.0, respectively	<b>\$ 417.1</b>	<b>\$ 13.8</b>

The disclosures regarding KCP&L included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**KANSAS CITY POWER & LIGHT COMPANY**  
**Consolidated Statements of Changes in Equity**  
(Unaudited)

	Common stock shares	Common stock	Retained earnings	AOCI - Net gains (losses) on cash flow hedges	Total equity
(millions, except share amounts)					
<b>Balance as of December 31, 2017</b>	1	\$ 1,563.1	\$ 949.7	\$ 0.4	\$ 2,513.2
Net income	—	—	20.2	—	20.2
Dividends declared on common stock	—	—	(60.0)	—	(60.0)
Derivative hedging activity, net of tax	—	—	—	0.9	0.9
<b>Balance as of March 31, 2018</b>	1	\$ 1,563.1	\$ 909.9	\$ 1.3	\$ 2,474.3
<b>Balance as of December 31, 2018</b>	1	\$ 1,563.1	\$ 932.6	\$ 4.1	\$ 2,499.8
Net income	—	—	16.0	—	16.0
Derivative hedging activity, net of tax	—	—	—	0.9	0.9
<b>Balance as of March 31, 2019</b>	1	\$ 1,563.1	\$ 948.6	\$ 5.0	\$ 2,516.7

The disclosures regarding KCP&L included in the accompanying Notes to Unaudited Consolidated Financial Statements are an integral part of these statements.

**EVERGY, INC.  
WESTAR ENERGY, INC.  
KANSAS CITY POWER & LIGHT COMPANY**

**Combined Notes to Unaudited Consolidated Financial Statements**

The notes to unaudited consolidated financial statements that follow are a combined presentation for Evergy, Inc., Westar Energy, Inc. and Kansas City Power & Light Company, all registrants under this filing. The terms "Evergy," "Westar Energy," "KCP&L" and "Evergy Companies" are used throughout this report. "Evergy" refers to Evergy, Inc. and its consolidated subsidiaries, unless otherwise indicated. "Westar Energy" refers to Westar Energy, Inc. and its consolidated subsidiaries, unless otherwise indicated. "KCP&L" refers to Kansas City Power & Light Company and its consolidated subsidiaries, unless otherwise indicated. "Evergy Companies" refers to Evergy, Westar Energy, and KCP&L, collectively, which are individual registrants within the Evergy consolidated group. The Evergy Companies' interim financial statements reflect all adjustments (which include normal, recurring adjustments) that are necessary, in the opinion of management, for a fair presentation of the results for the interim periods presented.

**1. ORGANIZATION AND BASIS OF PRESENTATION**

**Organization**

Evergy is a public utility holding company incorporated in 2017 and headquartered in Kansas City, Missouri. Evergy operates primarily through the following wholly-owned direct subsidiaries:

- Westar Energy is an integrated, regulated electric utility that provides electricity to customers in the state of Kansas. Westar Energy has one active wholly-owned subsidiary with significant operations, Kansas Gas and Electric Company (KGE).
- KCP&L is an integrated, regulated electric utility that provides electricity to customers in the states of Missouri and Kansas.
- KCP&L Greater Missouri Operations Company (GMO) is an integrated, regulated electric utility that provides electricity to customers in the state of Missouri.
- GPE Transmission Holding Company, LLC (GPETHC) owns 13.5% of Transource Energy, LLC (Transource) with the remaining 86.5% owned by AEP Transmission Holding Company, LLC, a subsidiary of American Electric Power Company, Inc. (AEP). Transource is focused on the development of competitive electric transmission projects. GPETHC accounts for its investment in Transource under the equity method.

Westar Energy also owns a 50% interest in Prairie Wind Transmission, LLC (Prairie Wind), which is a joint venture between Westar Energy and affiliates of AEP and Berkshire Hathaway Energy Company. Prairie Wind owns a 108-mile, 345 kV double-circuit transmission line that provides transmission service in the Southwest Power Pool, Inc. (SPP). Westar Energy accounts for its investment in Prairie Wind under the equity method.

Westar Energy and KGE conduct business in their respective service territories using the name Westar Energy. KCP&L and GMO conduct business in their respective service territories using the name KCP&L. Collectively, the Evergy Companies have approximately 14,500 MWs of owned generating capacity and renewable purchased power agreements and engage in the generation, transmission, distribution and sale of electricity to approximately 1.6 million customers in the states of Kansas and Missouri.

Evergy was incorporated in 2017 as Monarch Energy Holding, Inc. (Monarch Energy), a wholly-owned subsidiary of Great Plains Energy Incorporated (Great Plains Energy). Prior to the closing of the merger transactions, Monarch Energy changed its name to Evergy and did not conduct any business activities other than those required for its formation and matters contemplated by the Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2017, by and among Great Plains Energy, Westar Energy, Monarch Energy and King Energy, Inc. (King Energy), a wholly-owned subsidiary of Monarch Energy (Amended Merger Agreement). On June 4, 2018, in accordance with the Amended Merger Agreement, Great Plains Energy merged into Evergy, with Evergy surviving the merger and King Energy merged into Westar Energy, with Westar Energy surviving the merger. These merger transactions

resulted in Evergy becoming the parent entity of Westar Energy and the direct subsidiaries of Great Plains Energy, including KCP&L and GMO. As a result of the closing of the merger transactions, each outstanding share of Great Plains Energy common stock was converted into 0.5981 shares of Evergy common stock, resulting in the issuance of 128.9 million shares. Additionally, each outstanding share of Westar Energy common stock was converted into 1 share of Evergy common stock.

### **Principles of Consolidation**

Westar Energy was determined to be the accounting acquirer in the merger and thus, the predecessor of Evergy. Therefore, Evergy's consolidated financial statements reflect the results of operations of Westar Energy for the three months ended March 31, 2018. Evergy had separate operations for the period beginning with the quarter ended June 30, 2018, and references to amounts for periods after the closing of the merger relate to Evergy. The results of Great Plains Energy's direct subsidiaries have been included in Evergy's results of operations from the date of the closing of the merger and thereafter.

Each of Evergy's, Westar Energy's and KCP&L's consolidated financial statements includes the accounts of their subsidiaries and variable interest entities (VIEs) of which they are the primary beneficiary. Undivided interests in jointly-owned generation facilities are included on a proportionate basis. Intercompany transactions have been eliminated. The Evergy Companies assess financial performance and allocate resources on a consolidated basis (i.e., operate in one segment).

Certain changes in classification and corresponding reclassification of prior period data were made in Evergy's, Westar Energy's and KCP&L's unaudited consolidated statements of income and comprehensive income and unaudited statements of cash flows for comparative purposes. Evergy reflects the classifications of Westar Energy as the accounting acquirer in the merger. These reclassifications did not affect Evergy's, Westar Energy's or KCP&L's net income or Evergy's, Westar Energy's or KCP&L's cash flows from operations, investing or financing.

The table below summarizes KCP&L's reclassifications related to operating and investing activities for its consolidated statement of cash flows for the three months ended March 31, 2018.

	As Previously Filed	As Recast
(millions)		
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
Adjustments to reconcile income to net cash from operating activities:		
Amortization of other	\$ 6.6	\$ —
Amortization of deferred refueling outage	—	3.9
Deferred income taxes, net	5.6	—
Investment tax credit amortization	(0.3)	—
Net deferred income taxes and credits	—	5.3
Other <sup>(a)</sup>	3.8	0.2
Changes in working capital items:		
Fuel inventory and supplies	—	(2.8)
Fuel inventories <sup>(a)</sup>	(1.0)	—
Materials and supplies <sup>(a)</sup>	(1.8)	—
Prepaid expenses and other current assets	—	(2.5)
Accrued interest <sup>(a)</sup>	8.3	—
Other current liabilities	—	(1.8)
Changes in other assets	—	16.5
Changes in other liabilities	—	13.5
Deferred refueling outage costs <sup>(a)</sup>	0.9	—
Pension and post-retirement benefit obligations <sup>(a)</sup>	9.0	—
Fuel recovery mechanisms <sup>(a)</sup>	1.2	—
<b>Total reclassifications</b>	<b>\$ 32.3</b>	<b>\$ 32.3</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	\$ —	\$ (100.6)
Utility capital expenditures	(93.5)	—
Allowance for borrowed funds used during construction	(2.0)	—
Other investing activities	(4.5)	0.6
<b>Total reclassifications</b>	<b>\$ (100.0)</b>	<b>\$ (100.0)</b>

<sup>(a)</sup>Previously reported within Note 4 to the consolidated financial statements of the Great Plains Energy and KCP&L combined First Quarter 2018 Quarterly Report on Form 10-Q.

### Restricted Cash

As of March 31, 2019, Evergy and KCP&L had restricted cash balances of \$414.3 million as a result of the net proceeds from KCP&L's issuance of \$400.0 million of 4.125% Mortgage Bonds in March 2019 that were irrevocably deposited with a bond trustee along with accrued interest, in order to retire KCP&L's 7.15% Mortgage Bonds, which matured in April 2019. See Note 7 for additional details.

## Fuel Inventory and Supplies

The Evergy Companies record fuel inventory and supplies at average cost. The following table separately states the balances for fuel inventory and supplies.

	March 31 2019	December 31 2018
(millions)		
<b>Evergy</b>		
Fuel inventory	\$ 132.2	\$ 168.9
Supplies	334.3	342.1
Fuel inventory and supplies	\$ 466.5	\$ 511.0
<b>Westar Energy</b>		
Fuel inventory	\$ 74.2	\$ 87.8
Supplies	180.8	189.0
Fuel inventory and supplies	\$ 255.0	\$ 276.8
<b>KCP&amp;L</b>		
Fuel inventory	\$ 39.2	\$ 57.8
Supplies	120.1	119.8
Fuel inventory and supplies	\$ 159.3	\$ 177.6

## Property, Plant and Equipment

The following tables summarize the property, plant and equipment of Evergy, Westar Energy and KCP&L.

March 31, 2019	Evergy	Westar Energy	KCP&L
	(millions)		
Electric plant in service	\$ 27,161.1	\$ 13,263.5	\$ 10,546.0
Electric plant acquisition adjustment	740.6	740.6	—
Accumulated depreciation	(9,856.2)	(4,721.2)	(4,083.5)
Plant in service	18,045.5	9,282.9	6,462.5
Construction work in progress	635.7	365.0	173.2
Nuclear fuel, net	155.9	77.5	78.4
Plant to be retired, net <sup>(a)</sup>	1.0	1.0	—
Property, plant and equipment, net	\$ 18,838.1	\$ 9,726.4	\$ 6,714.1

December 31, 2018	Evergy	Westar Energy	KCP&L
	(millions)		
Electric plant in service	\$ 26,916.7	\$ 13,176.7	\$ 10,439.1
Electric plant acquisition adjustment	740.6	740.6	—
Accumulated depreciation	(9,694.1)	(4,642.8)	(4,022.4)
Plant in service	17,963.2	9,274.5	6,416.7
Construction work in progress	685.2	376.7	204.4
Nuclear fuel, net	133.1	66.1	67.0
Plant to be retired, net <sup>(a)</sup>	1.0	1.0	—
Property, plant and equipment, net	\$ 18,782.5	\$ 9,718.3	\$ 6,688.1

<sup>(a)</sup> As of March 31, 2019 and December 31, 2018, represents the planned retirement of Westar Energy analog meters prior to the end of their remaining useful lives.

### Other Income (Expense), Net

The table below shows the detail of other expense for each of the Evergy Companies.

Three Months Ended March 31	2019	2018
<b>Evergy</b>	(millions)	
Non-service cost component of net benefit cost	\$ (13.1)	\$ (5.7)
Other	(6.3)	(4.9)
Other expense	\$ (19.4)	\$ (10.6)
<b>Westar Energy</b>		
Non-service cost component of net benefit cost	\$ (4.4)	\$ (5.7)
Other	(6.2)	(4.9)
Other expense	\$ (10.6)	\$ (10.6)
<b>KCP&amp;L<sup>(a)</sup></b>		
Non-service cost component of net benefit cost	\$ (5.1)	\$ (6.7)
Other	0.1	(1.2)
Other expense	\$ (5.0)	\$ (7.9)

<sup>(a)</sup>KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

### Earnings Per Share

To compute basic earnings per share (EPS), Evergy divides net income attributable to Evergy, Inc. by the weighted average number of common shares outstanding. Diluted EPS includes the effect of issuable common shares resulting from restricted share units (RSUs), performance shares and restricted stock. Evergy computes the dilutive effects of potential issuances of common shares using the treasury stock method.

The following table reconciles Evergy's basic and diluted EPS.

Three Months Ended March 31	2019	2018
<b>Income</b>	(millions, except per share amounts)	
Net income	\$ 103.4	\$ 62.9
Less: net income attributable to noncontrolling interests	3.9	2.4
Net income attributable to Evergy, Inc.	99.5	60.5
<b>Common Shares Outstanding</b>		
Weighted average number of common shares outstanding - basic	252.8	142.6
Add: effect of dilutive securities	0.2	0.1
Weighted average number of common shares outstanding - dilutive	253.0	142.7
<b>Basic and Diluted EPS</b>	\$ 0.39	\$ 0.42

There were no anti-dilutive securities excluded from the computation of diluted EPS for the three months ended March 31, 2019 and 2018.

### Dividends Declared

In May 2019, Evergy's Board of Directors (Evergy Board) declared a quarterly dividend of \$0.475 per share on Evergy's common stock. The common dividend is payable June 20, 2019, to shareholders of record as of May 30, 2019.

In May 2019, KCP&L's Board of Directors declared a cash dividend payable to Evergy of \$65.0 million, payable no later than June 19, 2019.

**Supplemental Cash Flow Information**

Three Months Ended March 31	2019	2018
<b>Evergy</b>	(millions)	
Cash paid for (received from):		
Interest, net of amounts capitalized	\$ 59.3	\$ 33.0
Interest of VIEs	1.0	1.3
Income taxes, net of refunds	(0.1)	(0.2)
Non-cash investing transactions:		
Property, plant and equipment additions	47.1	29.8
Non-cash financing transactions:		
Issuance of stock for compensation and reinvested dividends	0.5	0.1
<b>Westar Energy</b>		
Cash paid for (received from):		
Interest, net of amounts capitalized	\$ 32.6	\$ 33.0
Interest of VIEs	1.0	1.3
Income taxes, net of refunds	—	(0.2)
Non-cash investing transactions:		
Property, plant and equipment additions	27.1	29.8
Non-cash financing transactions:		
Issuance of stock for compensation and reinvested dividends	—	0.1
<b>KCP&amp;L<sup>(a)</sup></b>		
Cash paid for (received from):		
Interest, net of amounts capitalized	\$ 19.6	\$ 22.7
Non-cash investing transactions:		
Property, plant and equipment additions	15.9	20.9

<sup>(a)</sup> KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

See Note 13 for supplemental cash flow information regarding the Evergy Companies' leases.

**New Accounting Standards**
**Intangibles - Internal-Use Software**

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which aligns the requirements for recording implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. An entity in a hosting arrangement that is a service contract will need to determine which project stage (that is, preliminary project stage, application development stage or post-implementation stage) an implementation activity relates. Costs for implementation activities in the application development stage are recorded as a prepaid asset depending on the nature of the costs, while costs incurred during the preliminary project and post-implementation stages are expensed as the activities occur. Costs that are recorded to a prepaid asset are to be expensed over the term of the hosting arrangement. The new guidance is effective for annual periods beginning after December 15, 2019 and interim periods within those fiscal years. The new guidance can be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. Early adoption is permitted. The Evergy Companies early adopted ASU No. 2018-15 prospectively as of January 1, 2019. The adoption of ASU No. 2018-15 did not have a material impact on the Evergy Companies.

**Leases**

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which requires an entity that is a lessee to record a right-of-use asset and a lease liability for lease payments on the balance sheet for all leases with terms longer than

12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Lessor accounting remains largely unchanged. In January 2018, the FASB issued ASU No. 2018-01, *Leases: Land Easement Practical Expedient for Transition to Topic 842*, which permits entities to elect an optional transition practical expedient to not evaluate, under Topic 842, land easements that exist or expired before the entity's adoption of Topic 842 and that were not previously accounted for as leases under Topic 840. In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*, which updates narrow aspects of the guidance issued in ASU No. 2016-02. Also in July 2018, the FASB issued ASU No. 2018-11, *Leases: Targeted Improvements*, which provides an optional transition method that allows entities to initially apply Topic 842 at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption without restating prior periods. In December 2018, the FASB issued ASU No. 2018-20, *Leases: Narrow-Scope Improvements for Lessors*, which is expected to reduce a lessor's implementation and ongoing costs associated with applying ASU No. 2016-02. In March 2019, the FASB issued ASU No. 2019-01, *Leases: Codification Improvements*, which clarifies certain lessor accounting and interim reporting requirements. ASU No. 2016-02 and the subsequent amendments are effective for interim and annual periods beginning after December 15, 2018, with early adoption permitted, and requires a modified retrospective transition approach with an option to either adjust or not adjust comparative periods.

The Evergy Companies adopted the new guidance on January 1, 2019, without adjusting comparative periods for all leases existing as of January 1, 2019, by electing the optional transition method permitted by ASU No. 2018-11. As a result, Evergy, Westar Energy and KCP&L recorded an increase to assets and liabilities of approximately \$110 million, \$40 million and \$80 million, respectively, as of January 1, 2019. Westar Energy and KCP&L have certain lease transactions between them for which the related assets and liabilities are eliminated at consolidated Evergy. The adoption of Topic 842 did not have a material impact on the Evergy Companies' consolidated statements of income and comprehensive income and there was no cumulative-effect adjustment recorded to the opening balance of retained earnings. The Evergy Companies also elected a practical expedient to forgo reassessing existing or expired contracts as leases to determine whether each is in scope of Topic 842 and to forgo reassessing lease classification for existing and expired leases.

See Note 13 for additional disclosures about the Evergy Companies' leases.

### Merger Pro Forma Financial Information

The following unaudited pro forma financial information reflects the consolidated results of operations of Evergy as if the merger transactions had taken place on January 1, 2017. The unaudited pro forma information was calculated after applying Evergy's accounting policies and adjusting Great Plains Energy's results to reflect purchase accounting adjustments.

The unaudited pro forma financial information has been presented for illustrative purposes only and is not necessarily indicative of the consolidated results of operations that would have been achieved or the future consolidated results of operations of Evergy.

### Three Months Ended March 31, 2018

	(millions, except per share amounts)	
Operating revenues	\$	1,184.1
Net income attributable to Evergy, Inc.		91.9
Basic earnings per common share	\$	0.34
Diluted earnings per common share	\$	0.34

Evergy, Westar Energy and Great Plains Energy incurred non-recurring costs and a gain directly related to the merger that have been excluded in the pro forma earnings presented above in accordance with generally accepted accounting principles (GAAP). On an after-tax basis, these non-recurring merger-related costs and gain incurred by Evergy, Westar Energy and Great Plains Energy included \$5.2 million for the three months ended March 31, 2018,

of after-tax mark-to-market gains on interest rate swaps for which cash settlement was contingent upon the consummation of the merger.

## 2. REVENUE

Evergy's, Westar Energy's and KCP&L's revenues disaggregated by customer class are summarized in the following tables.

Three Months Ended March 31, 2019	Evergy	Westar Energy	KCP&L
<b>Revenues</b>	(millions)		
Residential	\$ 451.7	\$ 192.3	\$ 164.2
Commercial	413.5	164.3	183.8
Industrial	147.0	98.4	29.7
Other retail	9.8	5.1	2.6
Total electric retail	\$ 1,022.0	\$ 460.1	\$ 380.3
Wholesale	83.1	61.3	18.1
Transmission	76.7	69.2	3.1
Industrial steam and other	3.3	1.7	1.4
Total revenue from contracts with customers	\$ 1,185.1	\$ 592.3	\$ 402.9
Other	31.8	4.5	22.5
<b>Operating revenues</b>	\$ 1,216.9	\$ 596.8	\$ 425.4
<b>Three Months Ended March 31, 2018</b>	<b>Evergy</b>	<b>Westar Energy</b>	<b>KCP&amp;L<sup>(a)</sup></b>
<b>Revenues</b>	(millions)		
Residential	\$ 180.3	\$ 180.3	\$ 154.9
Commercial	155.4	155.4	181.8
Industrial	93.5	93.5	32.2
Other retail	4.2	4.2	2.7
Total electric retail	\$ 433.4	\$ 433.4	\$ 371.6
Wholesale	94.2	94.2	3.1
Transmission	71.9	71.9	3.3
Other	1.8	1.8	—
Total revenue from contracts with customers	\$ 601.3	\$ 601.3	\$ 378.0
Other	(1.1)	(1.1)	19.1
<b>Operating revenues</b>	\$ 600.2	\$ 600.2	\$ 397.1

<sup>(a)</sup>KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

### 3. RECEIVABLES

The Evergy Companies' receivables are detailed in the following table.

	March 31 2019	December 31 2018
<b>Evergy</b>	(millions)	
Customer accounts receivable - billed	\$ 15.0	\$ 16.7
Customer accounts receivable - unbilled	82.1	91.2
Other receivables	77.5	95.0
Allowance for doubtful accounts	(9.8)	(9.2)
<b>Total</b>	<b>\$ 164.8</b>	<b>\$ 193.7</b>
<b>Westar Energy</b>		
Customer accounts receivable - billed	\$ —	\$ —
Customer accounts receivable - unbilled	33.4	16.6
Other receivables	61.2	71.6
Allowance for doubtful accounts	(4.2)	(3.9)
<b>Total</b>	<b>\$ 90.4</b>	<b>\$ 84.3</b>
<b>KCP&amp;L</b>		
Customer accounts receivable - billed	\$ 8.0	\$ 7.8
Customer accounts receivable - unbilled	25.9	42.9
Other receivables	11.9	15.8
Allowance for doubtful accounts	(4.0)	(3.8)
<b>Total</b>	<b>\$ 41.8</b>	<b>\$ 62.7</b>

Evergy's, Westar Energy's and KCP&L's other receivables at March 31, 2019 and December 31, 2018, consisted primarily of receivables from partners in jointly-owned electric utility plants and wholesale sales receivables. As of March 31, 2019, other receivables for Evergy, Westar Energy and KCP&L included receivables from contracts with customers of \$39.6 million, \$36.8 million and \$1.0 million, respectively. As of December 31, 2018, other receivables for Evergy, Westar Energy and KCP&L included receivables from contracts with customers of \$65.8 million, \$55.9 million and \$5.5 million, respectively.

The Evergy Companies recorded bad debt expense related to contracts with customers as summarized in the following table.

Three Months Ended March 31	2019	2018
	(millions)	
Evergy	\$ 4.0	\$ 4.0
Westar Energy	(0.3)	4.0
KCP&L <sup>(a)</sup>	2.8	1.7

<sup>(a)</sup> KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

#### Sale of Accounts Receivable

Westar Energy, KCP&L and GMO sell an undivided percentage ownership interest in their retail electric and certain other accounts receivable to independent outside investors. These sales of the undivided percentage ownership interests in accounts receivable to independent outside investors are accounted for as secured borrowings with accounts receivable pledged as collateral and a corresponding short-term collateralized note payable recognized on the balance sheets. At March 31, 2019 and December 31, 2018, Evergy's accounts receivable pledged as collateral and the corresponding short-term collateralized note payable were \$359.0 million and \$365.0 million, respectively. At March 31, 2019 and December 31, 2018, Westar Energy's accounts receivable pledged as collateral and the corresponding short-term collateralized note payable were \$185.0 million. At March 31, 2019 and December 31,

2018, KCP&L's accounts receivable pledged as collateral and the corresponding short-term collateralized note payable were \$124.0 million and \$130.0 million, respectively.

Westar Energy's receivable sale facility expires in September 2019 and allows for \$185.0 million in aggregate outstanding principal amount of borrowings from mid-December through mid-January, \$125.0 million from mid-January through mid-February, \$185.0 million from mid-February to mid-July and then \$200.0 million from mid-July through the expiration date of the facility. KCP&L's receivable sale facility expires in September 2019 and allows for \$130.0 million in aggregate outstanding principal amount of borrowings at any time. GMO's receivable sale facility expires in September 2019 and allows for \$50.0 million in aggregate outstanding principal amount of borrowings from mid-November through mid-June and then \$65.0 million from mid-June through the expiration date of the facility.

#### **4. RATE MATTERS AND REGULATION**

##### **KCC Proceedings**

###### ***Westar Energy 2019 Transmission Delivery Charge***

In March 2019, the State Corporation Commission of the State of Kansas (KCC) issued an order adjusting Westar Energy's retail prices to include updated transmission costs as reflected in the Federal Energy Regulatory Commission (FERC) transmission formula rate (TFR). The new prices were effective in April 2019 and are expected to decrease Westar Energy's annual retail revenues by \$7.7 million.

###### ***KCP&L 2019 Transmission Delivery Charge***

In April 2019, the KCC issued an order adjusting KCP&L's retail prices to include updated transmission costs as reflected in the FERC TFR. The new prices were effective in May 2019 and are expected to decrease KCP&L's annual retail revenues by \$8.3 million.

###### ***Westar Energy and KCP&L Earnings Review and Sharing Plan (ERSP)***

As part of their merger settlement agreement with the KCC, Westar Energy and KCP&L agreed to participate in an ERSP for the years 2019 through 2022. Under the ERSP, Westar Energy and KCP&L's Kansas jurisdiction are required to refund to customers 50% of annual earnings in excess of their authorized return on equity of 9.3% to the extent the excess earnings exceed the amount of Westar Energy's and KCP&L's annual merger bill credits for the year being measured.

As of March 31, 2019, Westar Energy and KCP&L estimate their 2019 annual earnings will not result in a refund obligation. Westar Energy and KCP&L will file their 2019 earnings calculations with the KCC in March 2020. The final refund obligation, if any, will be decided by the KCC and could vary from the current estimate.

##### **MPSC Proceedings**

###### ***GMO Other Proceedings***

In December 2018, the Office of the Public Counsel (OPC) and the Midwest Energy Consumers Group (MECG) filed a petition with the Public Service Commission of the State of Missouri (MPSC) requesting an accounting authority order that would require GMO to record a regulatory liability for all revenues collected from customers for return on investment, non-fuel operations and maintenance costs, taxes including accumulated deferred income taxes, and all other costs associated with Sibley Station following the station's retirement in November 2018. GMO already records depreciation expense to a regulatory liability for Sibley Station following its retirement pursuant to GMO's rate order from its 2018 Missouri rate case.

GMO opposes OPC's and MECG's petition on various grounds, including the value of costs that OPC and MECG allege are no longer existent due to the retirement of Sibley Station and the fact that the retirement of Sibley Station was a long-planned event that was contemplated as part of the stipulations and agreements in GMO's 2018 Missouri rate case.

The MPSC issued an order in March 2019 adopting a procedural schedule to resolve OPC's and MECG's petition. A hearing in the case is scheduled for July 2019 with an order expected in the second half of 2019.

## FERC Proceedings

### Westar Energy TFR

Westar Energy's TFR, effective in January 2019, includes projected 2019 transmission capital expenditures and operating costs and is expected to decrease annual transmission revenues by \$11.2 million when compared to 2018. This updated rate provided the basis for Westar Energy's request with the KCC to adjust its retail prices to include updated transmission costs as discussed above.

### KCP&L TFR

KCP&L's TFR, effective in January 2019, includes projected 2019 transmission capital expenditures and operating costs and is expected to decrease annual transmission revenues by \$2.8 million when compared to 2018. This updated rate provided the basis for KCP&L's request with the KCC to adjust its retail prices to include updated transmission costs as discussed above.

## 5. PENSION PLANS AND POST-RETIREMENT BENEFITS

Evergy and certain of its subsidiaries maintain, and Westar Energy and KCP&L participate in, qualified non-contributory defined benefit pension plans covering the majority of Westar Energy's and KCP&L's employees as well as certain non-qualified plans covering certain active and retired officers. Evergy is also responsible for its 94% ownership share of Wolf Creek Generating Station's (Wolf Creek) defined benefit plans, consisting of Westar Energy's and KCP&L's respective 47% ownership shares.

For the majority of employees, pension benefits under these plans reflect the employees' compensation, years of service and age at retirement. However, for the plan covering Westar Energy's employees, the benefits for non-union employees hired between 2002 and the second quarter of 2018 and union employees hired beginning in 2012 are derived from a cash balance account formula. The plan was closed to future non-union employees in 2018. For the plans covering KCP&L's employees, the benefits for union employees hired beginning in 2014 are derived from a cash balance account formula and the plans were closed to future non-union employees in 2014.

Evergy and its subsidiaries also provide certain post-retirement health care and life insurance benefits for substantially all retired employees of Westar Energy and KCP&L and their respective shares of Wolf Creek's post-retirement benefit plans.

The Evergy Companies record pension and post-retirement expense in accordance with rate orders from the KCC and MPSC that allow the difference between pension and post-retirement costs under GAAP and costs for ratemaking to be recognized as a regulatory asset or liability. This difference between financial and regulatory accounting methods is due to timing and will be eliminated over the life of the plans.

The following tables provide the components of net periodic benefit costs prior to the effects of capitalization and sharing with joint owners of power plants.

Three Months Ended March 31, 2019	Pension Benefits			Post-Retirement Benefits		
	Evergy	Westar Energy	KCP&L	Evergy	Westar Energy	KCP&L
<b>Components of net periodic benefit costs</b>	(millions)					
Service cost	\$ 19.1	\$ 7.3	\$ 11.8	\$ 0.6	\$ 0.3	\$ 0.3
Interest cost	27.5	13.4	14.1	2.6	1.4	1.2
Expected return on plan assets	(27.1)	(13.7)	(12.3)	(2.4)	(1.7)	(0.7)
Prior service cost	0.5	0.4	0.2	0.1	0.1	—
Recognized net actuarial (gain)/loss	6.9	6.4	12.2	(0.3)	(0.1)	(0.4)
Net periodic benefit costs before regulatory adjustment and intercompany allocations	26.9	13.8	26.0	0.6	—	0.4
Regulatory adjustment	(0.1)	0.5	(0.6)	(0.7)	(0.8)	0.1
Intercompany allocations	—	—	(6.9)	—	—	(0.1)
<b>Net periodic benefit costs</b>	<b>\$ 26.8</b>	<b>\$ 14.3</b>	<b>\$ 18.5</b>	<b>\$ (0.1)</b>	<b>\$ (0.8)</b>	<b>\$ 0.4</b>

Three Months Ended March 31, 2018	Pension Benefits			Post-Retirement Benefits		
	Evergy	Westar Energy	KCP&L <sup>(a)</sup>	Evergy	Westar Energy	KCP&L <sup>(a)</sup>
<b>Components of net periodic benefit costs</b>	(millions)					
Service cost	\$ 8.0	\$ 8.0	\$ 12.2	\$ 0.3	\$ 0.3	\$ 0.5
Interest cost	12.7	12.7	12.7	1.2	1.2	1.2
Expected return on plan assets	(14.0)	(14.0)	(13.9)	(1.7)	(1.7)	(0.7)
Prior service cost	0.2	0.2	0.2	0.1	0.1	—
Recognized net actuarial (gain)/loss	8.2	8.2	11.4	(0.1)	(0.1)	—
Net periodic benefit costs before regulatory adjustment and intercompany allocations	15.1	15.1	22.6	(0.2)	(0.2)	1.0
Regulatory adjustment	2.8	2.8	0.4	(0.4)	(0.4)	(0.1)
Intercompany allocations	—	—	(5.5)	—	—	(0.3)
<b>Net periodic benefit costs</b>	<b>\$ 17.9</b>	<b>\$ 17.9</b>	<b>\$ 17.5</b>	<b>\$ (0.6)</b>	<b>\$ (0.6)</b>	<b>\$ 0.6</b>

<sup>(a)</sup> KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

The components of net periodic benefit costs other than the service cost component are included in other expense on the Evergy Companies' consolidated statements of income and comprehensive income. See Note 1 for additional details.

For the three months ended March 31, 2019, Evergy, Westar Energy and KCP&L made pension contributions of \$12.3 million, \$7.1 million and \$5.2 million, respectively. Evergy expects to make additional pension contributions of \$103.2 million in 2019 to satisfy the Employee Retirement Income Security Act of 1974, as amended (ERISA) funding requirements and KCC and MPSC rate orders, of which \$29.9 million is expected to be paid by Westar Energy and \$73.3 million is expected to be paid by KCP&L. Also in 2019, Evergy, Westar Energy and KCP&L expect to make contributions of \$2.8 million, \$0.7 million and \$2.1 million, respectively, to the post-retirement benefit plans.

## 6. SHORT-TERM BORROWINGS AND SHORT-TERM BANK LINES OF CREDIT

Evergy's \$2.5 billion master credit facility expires in 2023. Evergy, Westar Energy, KCP&L and GMO have borrowing capacity under the master credit facility with specific sublimits for each borrower. These sublimits can be unilaterally adjusted by Evergy for each borrower provided the sublimits remain within minimum and maximum sublimits as specified in the facility. A default by any borrower under the facility or one of their significant subsidiaries on other indebtedness totaling more than \$100.0 million constitutes a default under the facility. Under the terms of this facility, each of Evergy, Westar Energy, KCP&L and GMO is required to maintain a total indebtedness to total capitalization ratio, as defined in the facility, of not greater than 0.65 to 1.00 at all times. As of March 31, 2019, Evergy, Westar Energy, KCP&L and GMO were in compliance with this covenant.

The following table summarizes the committed credit facilities (excluding receivable sale facilities discussed in Note 3 and Evergy's term loan credit agreement discussed below) available to the Evergy Companies as of March 31, 2019 and December 31, 2018.

Credit Facility	Amounts Drawn				Available Borrowings	Weighted Average Interest Rate on Short-Term Borrowings
	Commercial Paper	Letters of Credit	Cash Borrowings			
<b>March 31, 2019</b>						
			(millions)			
Evergy, Inc.	\$ 450.0	n/a	\$ 1.0	\$ 100.0	\$ 349.0	3.73%
Westar Energy	1,000.0	413.8	18.3	—	567.9	2.77%
KCP&L	600.0	176.0	2.7	—	421.3	2.89%
GMO	450.0	121.2	2.1	—	326.7	2.75%
Evergy	\$ 2,500.0	\$ 711.0	\$ 24.1	\$ 100.0	\$ 1,664.9	
<b>December 31, 2018</b>						
Evergy, Inc.	\$ 450.0	n/a	\$ 1.0	\$ —	\$ 449.0	—%
Westar Energy	1,000.0	411.7	18.3	—	570.0	3.08%
KCP&L	600.0	176.9	2.7	—	420.4	2.95%
GMO	450.0	150.0	2.1	—	297.9	3.00%
Evergy	\$ 2,500.0	\$ 738.6	\$ 24.1	\$ —	\$ 1,737.3	

In March 2019, Evergy entered into a \$1.0 billion, 6-month term loan credit agreement with a group of banks to provide short-term financing for its common stock repurchase program. The agreement allows for two term loans during the 6-month term of the agreement, in an aggregate principal amount not to exceed the credit limit of the agreement. At closing, Evergy borrowed \$500.0 million under the agreement, allowing for one additional term loan borrowing in a principal amount up to \$500.0 million. At March 31, 2019, Evergy had \$500.0 million of outstanding cash borrowings under the agreement at a weighted-average interest rate of 3.03%. Evergy anticipates repaying borrowings under the term loan credit agreement with proceeds from an expected long-term debt issuance in the second half of 2019.

## 7. LONG-TERM DEBT

### Mortgage Bonds

In March 2019, KCP&L issued collateral mortgage bonds secured by the General Mortgage Indenture and Deed of Trust dated as of December 1, 1986, as supplemented (KCP&L Mortgage Indenture) to serve as collateral for KCP&L's obligations under the following outstanding unsecured senior notes:

- \$300.0 million of 3.15% Series, maturing in 2023;
- \$350.0 million of 3.65% Series, maturing in 2025;
- \$250.0 million of 6.05% Series, maturing in 2035;

- \$400.0 million of 5.30% Series, maturing in 2041;
- \$300.0 million of 4.20% Series, maturing in 2047; and
- \$300.0 million of 4.20% Series, maturing in 2048.

The collateral mortgage bonds were issued to the trustee for the unsecured senior notes, are only payable if KCP&L defaults on the underlying unsecured senior notes and do not increase the amount of outstanding debt for KCP&L.

As a result of the above transactions, KCP&L's outstanding senior notes have effectively become secured by the mortgage lien of the KCP&L Mortgage Indenture and will rank equally and ratably with all of KCP&L's mortgage bonds, regardless of series, from time to time issued and outstanding under the KCP&L Mortgage Indenture.

Also in March 2019, KCP&L issued, at a discount, \$400.0 million of 4.125% Mortgage Bonds, maturing in 2049. KCP&L also repaid its \$400.0 million of 7.15% Mortgage Bonds at maturity in April 2019.

### **Senior Notes**

In March 2019, GMO issued \$100.0 million of 3.74% Senior Notes, maturing in 2022, under a note purchase agreement.

## **8. FAIR VALUE MEASUREMENTS**

### **Values of Financial Instruments**

GAAP establishes a hierarchical framework for disclosing the transparency of the inputs utilized in measuring assets and liabilities at fair value. Management's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the classification of assets and liabilities within the fair value hierarchy levels. In addition, the Evergy Companies measure certain investments that do not have a readily determinable fair value at net asset value (NAV), which are not included in the fair value hierarchy. Further explanation of these levels and NAV is summarized below.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed on public exchanges.

Level 2 – Pricing inputs are not quoted prices in active markets, but are either directly or indirectly observable. The types of assets and liabilities included in Level 2 are certain marketable debt securities, financial instruments traded in less than active markets or other financial instruments priced with models using highly observable inputs.

Level 3 – Significant inputs to pricing have little or no transparency. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation.

NAV - Investments that do not have a readily determinable fair value are measured at NAV. These investments do not consider the observability of inputs and, therefore, they are not included within the fair value hierarchy. The Evergy Companies include in this category investments in private equity, real estate and alternative investment funds that do not have a readily determinable fair value. The underlying alternative investments include collateralized debt obligations, mezzanine debt and a variety of other investments.

The Evergy Companies record cash and cash equivalents, accounts receivable and short-term borrowings on their consolidated balance sheets at cost, which approximates fair value due to the short-term nature of these instruments.

### **Interest Rate Derivatives**

The Evergy Companies are exposed to market risks arising from changes in interest rates and may use derivative instruments to manage these risks. From time to time, this may include entering into interest rate swap agreements to protect against unfavorable interest rate changes relating to forecasted debt transactions. These interest rate swap agreements can be designated as cash flow hedges, in which case gains and losses on the interest rate swaps are deferred in other comprehensive income to be recognized as an adjustment to interest expense over the same period that the hedged interest payments affect earnings.

In December 2018, Evergy entered into an interest rate swap agreement with a notional amount of \$500.0 million that has been designated as a cash flow hedge of interest payments from a forecasted debt issuance in 2019. As of March 31, 2019 and December 31, 2018, the interest rate swap had a fair value of \$(19.2) million and \$(5.4) million, respectively, and was recorded within other current liabilities on Evergy's consolidated balance sheet. For the three months ended March 31, 2019, Evergy recorded a \$13.8 million pre-tax loss in other comprehensive loss on Evergy's consolidated statements of comprehensive income.

### Fair Value of Long-Term Debt

The Evergy Companies measure the fair value of long-term debt using Level 2 measurements available as of the measurement date. The book value and fair value of the Evergy Companies' long-term debt and long-term debt of variable interest entities is summarized in the following table.

	March 31, 2019		December 31, 2018	
	Book Value	Fair Value	Book Value	Fair Value
<b>Long-term debt<sup>(a)</sup></b>	(millions)			
Evergy <sup>(b)</sup>	\$ 7,827.0	\$ 8,130.5	\$ 7,341.7	\$ 7,412.1
Westar Energy	3,690.0	3,884.4	3,689.8	3,771.3
KCP&L	2,924.6	3,130.2	2,530.1	2,637.5
<b>Long-term debt of variable interest entities<sup>(a)</sup></b>				
Evergy	\$ 51.1	\$ 50.9	\$ 81.4	\$ 81.3
Westar Energy	51.1	50.9	81.4	81.3

<sup>(a)</sup> Includes current maturities.

<sup>(b)</sup> Book value as of March 31, 2019 and December 31, 2018, includes \$136.8 million and \$144.8 million, respectively, of fair value adjustments recorded in connection with purchase accounting for the Great Plains Energy and Westar Energy merger, which are not part of future principal payments and will amortize over the remaining life of the associated debt instrument.

## Recurring Fair Value Measurements

The following tables include the Evergy Companies' balances of financial assets and liabilities measured at fair value on a recurring basis.

Description	March 31, 2019	Level 1	Level 2	Level 3	NAV
<b>Westar Energy</b>					
(millions)					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>					
Domestic equity funds	\$ 80.1	\$ 73.6	\$ —	\$ —	\$ 6.5
International equity funds	46.5	46.5	—	—	—
Core bond fund	34.6	34.6	—	—	—
High-yield bond fund	20.6	20.6	—	—	—
Emerging markets bond fund	16.4	16.4	—	—	—
Combination debt/equity/other fund	14.7	14.7	—	—	—
Alternative investments fund	23.3	—	—	—	23.3
Real estate securities fund	12.0	—	—	—	12.0
Cash equivalents	0.2	0.2	—	—	—
Total nuclear decommissioning trust	248.4	206.6	—	—	41.8
Rabbi trust					
Core bond fund	24.7	—	—	—	24.7
Combination debt/equity/other fund	6.2	—	—	—	6.2
Cash equivalents	0.2	0.2	—	—	—
Total rabbi trust	31.1	0.2	—	—	30.9
Total	\$ 279.5	\$ 206.8	\$ —	\$ —	\$ 72.7
<b>KCP&amp;L</b>					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>					
Equity securities	\$ 188.3	\$ 188.3	\$ —	\$ —	\$ —
Debt securities					
U.S. Treasury	46.0	46.0	—	—	—
U.S. Agency	0.4	—	0.4	—	—
State and local obligations	2.1	—	2.1	—	—
Corporate bonds	30.6	—	30.6	—	—
Foreign governments	0.1	—	0.1	—	—
Cash equivalents	2.9	2.9	—	—	—
Other	(0.5)	—	(0.5)	—	—
Total nuclear decommissioning trust	269.9	237.2	32.7	—	—
Self-insured health plan trust <sup>(b)</sup>					
Equity securities	0.5	0.5	—	—	—
Debt securities	4.3	0.4	3.9	—	—
Cash and cash equivalents	6.7	6.7	—	—	—
Other	1.1	—	1.1	—	—
Total self-insured health plan trust	12.6	7.6	5.0	—	—
Total	\$ 282.5	\$ 244.8	\$ 37.7	\$ —	\$ —
<b>Other Evergy</b>					
Assets					
Rabbi trusts					
Fixed income fund	\$ 13.1	\$ —	\$ —	\$ —	\$ 13.1
Cash and cash equivalents	0.4	0.4	—	—	—
Total rabbi trusts	\$ 13.5	\$ 0.4	\$ —	\$ —	\$ 13.1
Liabilities					
Interest rate swaps <sup>(c)</sup>	\$ 19.2	\$ —	\$ 19.2	\$ —	\$ —
Total	\$ 19.2	\$ —	\$ 19.2	\$ —	\$ —
<b>Evergy</b>					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>	\$ 518.3	\$ 443.8	\$ 32.7	\$ —	\$ 41.8
Rabbi trusts	44.6	0.6	—	—	44.0
Self-insured health plan trust <sup>(b)</sup>	12.6	7.6	5.0	—	—
Total	\$ 575.5	\$ 452.0	\$ 37.7	\$ —	\$ 85.8

Liabilities

Interest rate swaps <sup>(c)</sup>	\$	19.2	\$	—	\$	19.2	\$	—	\$	—
Total	\$	19.2	\$	—	\$	19.2	\$	—	\$	—

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Description	December 31, 2018	Level 1	Level 2	Level 3	NAV
<b>Westar Energy</b>					
(millions)					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>					
Domestic equity funds	\$ 70.6	\$ 63.9	\$ —	\$ —	\$ 6.7
International equity funds	36.2	36.2	—	—	—
Core bond fund	37.5	37.5	—	—	—
High-yield bond fund	18.9	18.9	—	—	—
Emerging markets bond fund	15.4	15.4	—	—	—
Combination debt/equity/other fund	12.9	12.9	—	—	—
Alternative investments fund	24.1	—	—	—	24.1
Real estate securities fund	11.8	—	—	—	11.8
Cash equivalents	0.1	0.1	—	—	—
Total nuclear decommissioning trust	227.5	184.9	—	—	42.6
Rabbi trust					
Core bond fund	24.8	—	—	—	24.8
Combination debt/equity/other fund	5.6	—	—	—	5.6
Cash equivalents	0.2	0.2	—	—	—
Total rabbi trust	30.6	0.2	—	—	30.4
Total	\$ 258.1	\$ 185.1	\$ —	\$ —	\$ 73.0
<b>KCP&amp;L</b>					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>					
Equity securities	\$ 166.6	\$ 166.6	\$ —	\$ —	\$ —
Debt securities					
U.S. Treasury	42.1	42.1	—	—	—
U.S. Agency	0.4	—	0.4	—	—
State and local obligations	2.1	—	2.1	—	—
Corporate bonds	30.9	—	30.9	—	—
Foreign governments	0.1	—	0.1	—	—
Cash equivalents	1.7	1.7	—	—	—
Other	0.7	0.7	—	—	—
Total nuclear decommissioning trust	244.6	211.1	33.5	—	—
Self-insured health plan trust <sup>(b)</sup>					
Equity securities	0.5	0.5	—	—	—
Debt securities	3.9	0.3	3.6	—	—
Cash and cash equivalents	8.0	8.0	—	—	—
Total self-insured health plan trust	12.4	8.8	3.6	—	—
Total	\$ 257.0	\$ 219.9	\$ 37.1	\$ —	\$ —
<b>Other Evergy</b>					
Assets					
Rabbi trusts					
Fixed income fund	\$ 13.2	\$ —	\$ —	\$ —	\$ 13.2
Total rabbi trusts	\$ 13.2	\$ —	\$ —	\$ —	\$ 13.2
Liabilities					
Interest rate swaps <sup>(c)</sup>	\$ 5.4	\$ —	\$ 5.4	\$ —	\$ —
Total	\$ 5.4	\$ —	\$ 5.4	\$ —	\$ —
<b>Evergy</b>					
Assets					
Nuclear decommissioning trust <sup>(a)</sup>	\$ 472.1	\$ 396.0	\$ 33.5	\$ —	\$ 42.6
Rabbi trust	43.8	0.2	—	—	43.6
Self-insured health plan trust <sup>(b)</sup>	12.4	8.8	3.6	—	—
Total	\$ 528.3	\$ 405.0	\$ 37.1	\$ —	\$ 86.2
Liabilities					
Interest rate swaps <sup>(c)</sup>	\$ 5.4	\$ —	\$ 5.4	\$ —	\$ —
Total	\$ 5.4	\$ —	\$ 5.4	\$ —	\$ —

<sup>(a)</sup> Fair value is based on quoted market prices of the investments held by the trust and/or valuation models.

- (b) Fair value is based on quoted market prices of the investments held by the trust. Debt securities classified as Level 1 are comprised of U.S. Treasury securities. Debt securities classified as Level 2 are comprised of corporate bonds, U.S. Agency, state and local obligations, and other asset-backed securities.
- (c) The fair value of interest rate swaps are determined by calculating the net present value of expected payments and receipts under the interest rate swaps using observable market inputs including interest rates and LIBOR swap rates.

Certain Evergy and Westar Energy investments included in the table above are measured at NAV as they do not have readily determinable fair values. In certain situations, these investments may have redemption restrictions.

The following table provides additional information on these Evergy and Westar Energy investments.

	March 31, 2019		December 31, 2018		March 31, 2019	
	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments	Redemption Frequency	Length of Settlement
<b>Westar Energy</b>	(millions)					
Nuclear decommissioning trust:						
Domestic equity funds	\$ 6.5	\$ 4.0	\$ 6.7	\$ 4.3	(a)	(a)
Alternative investments fund <sup>(b)</sup>	23.3	—	24.1	—	Quarterly	65 days
Real estate securities fund <sup>(b)</sup>	12.0	—	11.8	—	Quarterly	65 days
Total	\$ 41.8	\$ 4.0	\$ 42.6	\$ 4.3		
Rabbi trust:						
Core bond fund	\$ 24.7	\$ —	\$ 24.8	\$ —	(c)	(c)
Combination debt/equity/other fund	6.2	—	5.6	—	(c)	(c)
Total	\$ 30.9	\$ —	\$ 30.4	\$ —		
<b>Other Evergy</b>						
Rabbi trusts:						
Fixed income fund	\$ 13.1	\$ —	\$ 13.2	\$ —	(c)	(c)
Total Evergy investments at NAV	\$ 85.8	\$ 4.0	\$ 86.2	\$ 4.3		

<sup>(a)</sup> This investment is in five long-term private equity funds that do not permit early withdrawal. Investments in these funds cannot be distributed until the underlying investments have been liquidated, which may take years from the date of initial liquidation. Three funds have begun to make distributions. The initial investment in the fourth and fifth fund occurred in the second quarter of 2016 and first quarter of 2018, respectively. The fourth fund's term is 15 years, subject to the general partner's right to extend the term for up to three additional one-year periods. The fifth fund's term will be 15 years after the initial closing date, subject to additional extensions approved by the Advisory Committee to provide for an orderly liquidation of fund investments and dissolution of the fund.

<sup>(b)</sup> There is a holdback on final redemptions.

<sup>(c)</sup> This investment can be redeemed immediately and is not subject to any restrictions on redemptions.

The Evergy Companies hold equity and debt investments classified as securities in various trusts including for the purposes of funding the decommissioning of Wolf Creek and for the benefit of certain retired executive officers of Westar Energy. The Evergy Companies record net realized and unrealized gains and losses on the nuclear decommissioning trusts in regulatory liabilities on their consolidated balance sheets and record net realized and unrealized gains and losses on Westar Energy's rabbi trust in the consolidated statements of income and comprehensive income.

The following table summarizes the net unrealized gains (losses) for the Evergy Companies' nuclear decommissioning trusts and rabbi trusts.

Three Months Ended March 31	2019		2018	
<b>Westar Energy</b>	(millions)			
Nuclear decommissioning trust - equity securities	\$	17.2	\$	(11.7)
Rabbi trust		1.3		(0.5)
Total	\$	18.5	\$	(12.2)
<b>KCP&amp;L<sup>(a)</sup></b>				
Nuclear decommissioning trust - equity securities	\$	20.7	\$	(3.6)
Nuclear decommissioning trust - debt securities		2.1		(1.6)
Total	\$	22.8	\$	(5.2)
<b>Evergy</b>				
Nuclear decommissioning trust - equity securities	\$	37.9	\$	(11.7)
Nuclear decommissioning trust - debt securities		2.1		—
Rabbi trusts		0.5		(0.5)
Total	\$	40.5	\$	(12.2)

<sup>(a)</sup> KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

## 9. COMMITMENTS AND CONTINGENCIES

### Environmental Matters

Set forth below are descriptions of contingencies related to environmental matters that may impact the Evergy Companies' operations or their financial results. Management's assessment of these contingencies, which are based on federal and state statutes and regulations, and regulatory agency and judicial interpretations and actions, has evolved over time. There are a variety of final and proposed laws and regulations that could have a material adverse effect on the Evergy Companies' operations and consolidated financial results. Due in part to the complex nature of environmental laws and regulations, the Evergy Companies are unable to assess the impact of potential changes that may develop with respect to the environmental contingencies described below.

#### *Cross-State Air Pollution Update Rule*

In September 2016, the Environmental Protection Agency (EPA) finalized the Cross-State Air Pollution Update Rule (CSAPR). The final rule addresses interstate transport of nitrogen oxides emissions in 22 states including Kansas, Missouri and Oklahoma during the ozone season and the impact from the formation of ozone on downwind states with respect to the 2008 ozone National Ambient Air Quality Standards (NAAQS). Starting with the 2017 ozone season, the final rule revised the existing ozone season allowance budgets for Missouri and Oklahoma and established an ozone season budget for Kansas. In December 2018, the EPA finalized the CSAPR Close-Out Rule, which determined that the existing CSAPR Update Rule fully addresses applicable states' interstate pollution transport obligations for the 2008 ozone NAAQS. Therefore, the EPA is proposing no additional reduction in the current ozone season allowance budgets in order to address obligations for the 2008 ozone NAAQS. Various states and others are challenging the rule in the U.S. Court of Appeals for the D.C. Circuit (D.C. Circuit), but the rule remains in effect. It is not expected that this rule will have a material impact on the Evergy Companies' operations and consolidated financial results.

### ***National Ambient Air Quality Standards***

Under the Clean Air Act Amendments of 1990 (CAA), the EPA set NAAQS for certain emissions known as the "criteria pollutants" considered harmful to public health and the environment, including two classes of particulate matter (PM), ozone, nitrogen dioxide (NO<sub>2</sub>) (a precursor to ozone), carbon monoxide and sulfur dioxide (SO<sub>2</sub>), which result from fossil fuel combustion. Areas meeting the NAAQS are designated attainment areas while those that do not meet the NAAQS are considered nonattainment areas. Each state must develop a plan to bring nonattainment areas into compliance with the NAAQS. NAAQS must be reviewed by the EPA at five-year intervals.

In October 2015, the EPA strengthened the ozone NAAQS by lowering the standards from 75 ppb to 70 ppb. In November 2017, the EPA designated all counties in the State of Kansas as well as the Missouri counties in KCP&L's and GMO's service territories as attainment/unclassifiable. It is not expected that this will have a material impact on the Evergy Companies' consolidated financial results.

If areas surrounding the Evergy Companies' facilities are designated in the future as nonattainment and/or it is required to install additional equipment to control emissions at facilities of the Evergy Companies, it could have a material impact on the operations and consolidated financial results of the Evergy Companies.

### ***Greenhouse Gases***

Burning coal and other fossil fuels releases carbon dioxide (CO<sub>2</sub>) and other gases referred to as greenhouse gases (GHG). Various regulations under the federal CAA limit CO<sub>2</sub> and other GHG emissions, and in addition, other measures are being imposed or offered by individual states, municipalities and regional agreements with the goal of reducing GHG emissions.

In October 2015, the EPA published a rule establishing new source performance standards (NSPS) for GHGs that limit CO<sub>2</sub> emissions for new, modified and reconstructed coal and natural gas fueled electric generating units to various levels per MWh depending on various characteristics of the units. Legal challenges to the GHG NSPS have been filed in the D.C. Circuit by various states and industry members. Also in October 2015, the EPA published a rule establishing guidelines for states to regulate CO<sub>2</sub> emissions from existing power plants. The standards for existing plants are known as the Clean Power Plan (CPP). Under the CPP, interim emissions performance rates must be achieved beginning in 2022 and final emissions performance rates must be achieved by 2030. Legal challenges to the CPP were filed by groups of states and industry members, including Westar Energy, in the D.C. Circuit. The CPP was stayed by the Supreme Court in February 2016 and, accordingly, is not currently being implemented by the states.

In April 2017, the EPA published in the Federal Register a notice of withdrawal of the proposed CPP federal plan, proposed model trading rules and proposed Clean Energy Incentive Program design details. Also in April 2017, the EPA published a notice in the Federal Register that it was initiating administrative reviews of the CPP and the GHG NSPS.

In October 2017, the EPA issued a proposed rule to repeal the CPP. The proposed rule indicates the CPP exceeds the EPA's authority and the EPA has not determined whether they will issue a replacement rule. The EPA solicited comments on the legal interpretations contained in this rulemaking.

In December 2017, the EPA issued an advance notice of proposed rulemaking to solicit feedback on specific areas of the CPP that could be changed.

In August 2018, the EPA published in the Federal Register proposed regulations, which contained (1) emission guidelines for GHG emissions from existing electric utility generating units (EGUs), (2) revisions to emission guideline implementing regulations and (3) revisions to the new source review (NSR) program. The proposed emission guidelines are better known as the Affordable Clean Energy (ACE) Rule. The ACE Rule would establish emission guidelines for states to use in the development of plans to reduce GHG emissions from existing coal-fired EGUs. The ACE Rule is also the replacement rule for the CPP. The ACE rule proposes to determine the "best system of emission reduction" (BSER) for GHG emissions from existing coal-fired EGUs as on-site, heat-rate

efficiency improvements. The proposed rule also provides states with a list of candidate technologies that can be used to establish standards of performance and incorporate these performance standards into state plans. In order for the states to be able to effectively implement the proposed emission guidelines contained in the ACE Rule, the EPA is proposing new regulations under 111(d) of the CAA to help clarify this process. In addition, the EPA is proposing revisions to the NSR program that will reduce the likelihood of triggering NSR for proposed heat-rate efficiency improvement projects at existing coal-fired EGUs. The public comment period for these proposed regulatory changes closed on October 31, 2018.

In December 2018, the EPA released a proposed rule to revise the existing GHG NSPS for new, modified and reconstructed fossil fuel-fired EGUs, which was issued in October 2015. This proposed rule would determine that BSER for new EGUs is "the most efficient demonstrated steam cycle (e.g. supercritical steam conditions for large units and subcritical steam conditions for small units) in combination with the best operating practices." This replaces the current determination that BSER for these units is the use of partial carbon capture and sequestration technology. The EPA is also proposing to address, in potential future rule making, existing operational limitations imposed by the rule on aero-derivative simple cycle combustion turbines.

Due to the future uncertainty of the CPP and ACE Rule, the Evergy Companies cannot determine the impact on their operations or consolidated financial results, but the cost to comply with the CPP, should it be upheld and implemented in its current or a substantially similar form, or ACE in its current or a substantially similar form, could be material.

### **Water**

The Evergy Companies discharge some of the water used in generation and other operations. This water may contain substances deemed to be pollutants. A November 2015 EPA rule establishes effluent limitations guidelines (ELG) and standards for wastewater discharges, including limits on the amount of toxic metals and other pollutants that can be discharged. Implementation timelines for these requirements vary from 2018 to 2023. In April 2017, the EPA announced it is reconsidering the ELG rule. In September 2017, the EPA finalized a rule to postpone the compliance dates for the new, more stringent, effluent limitations and pretreatment standards for bottom ash transport water and flue gas desulfurization wastewater. These compliance dates have been postponed for two years while the EPA completes its administrative reconsideration of the ELG rule. In April 2019, the U.S. Court of Appeals for the 5th Circuit (5th Circuit) issued a ruling that vacates and remands portions of the ELG rule. The 5th Circuit ruled in favor of environmental groups who argued that EPA did not set appropriate limits for the best available technology economically achievable for legacy waste water and leachate. The Evergy Companies are evaluating the 5th Circuit ruling, the existing ELG rule and related developments and cannot predict the resulting impact on their operations or consolidated financial results, but believe costs to comply could be material if the rule is implemented in its current or substantially similar form.

In October 2014, the EPA's final standards for cooling intake structures at power plants to protect aquatic life took effect. The standards, based on Section 316(b) of the federal Clean Water Act (CWA), require subject facilities to choose among seven best available technology options to reduce fish impingement. In addition, some facilities must conduct studies to assist permitting authorities to determine whether and what site-specific controls, if any, would be required to reduce entrainment of aquatic organisms. The Evergy Companies' current analysis indicates this rule will not have a significant impact on their coal plants that employ cooling towers or cooling lakes that can be classified as closed cycle cooling and do not expect the impact from this rule to be material. Plants without closed cycle cooling are under evaluation for compliance with these standards and may require additional controls that could be material.

KCP&L holds a permit from the Missouri Department of Natural Resources (MDNR) covering water discharge from its Hawthorn Station. The permit authorizes KCP&L to, among other things, withdraw water from the Missouri River for cooling purposes and return the heated water to the Missouri River. KCP&L has applied for a renewal of this permit and the EPA has submitted an interim objection letter regarding the allowable amount of heat that can be contained in the returned water. Until this matter is resolved, KCP&L continues to operate under its current permit. Evergy and KCP&L cannot predict the outcome of this matter; however, while less significant outcomes are possible, this matter may require a reduction in generation, installation of cooling towers or other

technology to cool the water, or both, any of which could have a material impact on Evergy's and KCP&L's operations and consolidated financial results.

In June 2015, the EPA along with the U.S. Army Corps of Engineers issued a final rule, effective August 2015, defining the Waters of the United States (WOTUS) for purposes of the CWA. This rulemaking has the potential to impact all programs under the CWA. Expansion of regulated waterways is possible under the rule depending on regulating authority interpretation, which could impact several permitting programs. Various states and others have filed lawsuits challenging the WOTUS rule. In February 2018, the EPA and the U.S. Army Corps of Engineers finalized a rule adding an applicability date to the 2015 rule, which makes the implementation date of the rule February 2020. In December 2018, the EPA and the U.S. Army Corps of Engineers published in the Federal Register a proposed rule titled "Revised Definition of Waters of the United States." This proposed rule narrows the extent of the CWA jurisdiction as compared to the 2015 rule. The Evergy Companies are currently evaluating the WOTUS rule and related developments, but do not believe the rule, if upheld and implemented in its current or substantially similar form, will have a material impact on the Evergy Companies' operations or consolidated financial results.

### ***Regulation of Coal Combustion Residuals***

In the course of operating their coal generation plants, the Evergy Companies produce coal combustion residuals (CCRs), including fly ash, gypsum and bottom ash. Some of this ash production is recycled, principally by selling to the aggregate industry. The EPA published a rule to regulate CCRs in April 2015, which will require additional CCR handling, processing and storage equipment and closure of certain ash disposal units. The Water Infrastructure Improvements for the Nation (WIIN) Act allows states to achieve delegated authority for CCR rules from the EPA. This has the potential to impact compliance options. In July 2018, the Kansas Department of Health and Environment (KDHE) submitted a CCR permit program application to the EPA under authority of the WIIN Act. In November 2018, KDHE received notice from the EPA that its application is deficient and requested additional clarifying information. KDHE has decided it is not going to move forward with additional submittals at this time and will wait until current legal action associated with the CCR rule is final along with planned upcoming modifications to the CCR rule. In February 2019, MDNR issued a proposed CCR rule. The public comment period for this proposed rule closed in March 2019. Once a final state rule is promulgated, then MDNR will submit a WIIN Act application to the EPA to gain authority over the federal CCR program. Similar to the process in Kansas, this would allow Missouri state regulators to gain control of the CCR program. It will take up to one year from submittal of the Missouri application for the EPA to take final action and grant authority to the state, if such authority is granted. EPA submitted comments during the recent public comment period which included concerns around this proposed rule not being as protective as the federal CCR rule.

On July 30, 2018, the EPA published in the Federal Register a final rule called the Phase I, Part I CCR Remand Rule to modify portions of the 2015 rulemaking. The Phase I, Part I rule provides a timeline extension for unlined impoundments and landfills that must close due to groundwater impacts or location restrictions. The rule also sets risk-based limits for certain groundwater constituents where a maximum contaminant level did not previously exist. These rule modifications add flexibility when assessing compliance.

On August 21, 2018, the D.C. Circuit issued a ruling in the CCR rule litigation between the Utility Solid Waste Activities Group, the EPA and environmental organizations. Portions of the rule were vacated and were remanded back to the EPA for potential modification. Potential revisions to remanded sections will force all unlined surface impoundments to close regardless of groundwater conditions. Any changes to the rule based on this court decision will require additional rulemaking from the EPA. In October 2018, a coalition of environmental groups (including Sierra Club) filed a petition for review in the D.C. Circuit challenging the Phase I, Part I revisions to the CCR Rule. In November 2018, this coalition requested the EPA to stay the October 31, 2020 deadline extension for initiating closure for unlined impoundments and landfills that must close due to groundwater impacts or location restrictions. The EPA has rejected this request and the coalition has filed a petition with the D.C. Circuit for a similar stay. In response, the EPA filed a motion with the D.C. Circuit to voluntarily remand without vacatur the Part I, Phase I rule. In March 2019, the D.C. Circuit issued a ruling to grant EPA's motion to remand the rule without vacatur. This ruling maintains the current October 31, 2020 deadline extension. As EPA works on a rule modification, it is possible that this October 31, 2020 deadline will be modified. If the date is moved up then some CCR units in the

Evergy Companies' fleet could have to initiate closure on an earlier timeline than currently planned, the results of which could be material.

The Evergy Companies have recorded asset retirement obligations (AROs) for their current estimates for the closure of ash disposal ponds, but the revision of these AROs may be required in the future due to changes in existing CCR regulations, the results of groundwater monitoring of CCR units or changes in interpretation of existing CCR regulations or changes in the timing or cost to close ash disposal ponds. If revisions to these AROs are necessary, the impact on the Evergy Companies' operations or consolidated financial results could be material.

## 10. RELATED PARTY TRANSACTIONS AND RELATIONSHIPS

In the normal course of business, Westar Energy, KCP&L and GMO engage in related party transactions with one another. A summary of these transactions and the amounts associated with them is provided below. Transactions between Westar Energy and either KCP&L or GMO for the three months ended March 31, 2018 are not reflected below as they occurred prior to the merger.

### Jointly-Owned Plants and Shared Services

KCP&L employees manage GMO's business and operate its facilities at cost, including GMO's 18% ownership interest in KCP&L's Iatan Nos. 1 and 2. The operating expenses and capital costs billed from KCP&L to GMO were \$42.0 million and \$46.4 million for the three months ended March 31, 2019 and 2018, respectively.

Westar Energy employees manage Jeffrey Energy Center and operate its facilities at cost, including GMO's 8% ownership interest in Jeffrey Energy Center. The operating expenses and capital costs billed from Westar Energy to GMO for Jeffrey Energy Center and other various business activities were \$6.3 million for the three months ended March 31, 2019.

KCP&L employees manage La Cygne Station and operate its facilities at cost, including Westar Energy's 50% ownership interest in La Cygne Station. KCP&L and Westar Energy employees also provide one another with shared service support, including costs related to human resources, information technology, accounting and legal services. The operating expenses and capital costs billed from KCP&L to Westar Energy were \$31.5 million for the three months ended March 31, 2019. The operating and capital costs billed from Westar Energy to KCP&L were \$7.4 million for the three months ended March 31, 2019.

### Money Pool

KCP&L and GMO are also authorized to participate in the Evergy, Inc. money pool, an internal financing arrangement in which funds may be lent on a short-term basis to KCP&L and GMO from Evergy, Inc. and between KCP&L and GMO. At March 31, 2019 and December 31, 2018, KCP&L had no outstanding receivables or payables under the money pool.

### Related Party Net Receivables and Payables

The following table summarizes Westar Energy's and KCP&L's related party net receivables and payables.

	March 31 2019	December 31 2018
<b>Westar Energy</b>		(millions)
Net receivable from GMO	\$ 2.5	\$ 2.6
Net payable to KCP&L	(8.3)	(13.5)
Net payable to Evergy	(0.5)	(1.4)
<b>KCP&amp;L</b>		
Net receivable from GMO	\$ 53.6	\$ 72.6
Net receivable from Westar Energy	8.3	13.5
Net receivable from Evergy	19.3	15.7

### **Tax Allocation Agreement**

Evergy files a consolidated federal income tax return as well as unitary and combined income tax returns in several state jurisdictions with Kansas and Missouri being the most significant. Income taxes for consolidated or combined subsidiaries are allocated to the subsidiaries based on separate company computations of income or loss. As of March 31, 2019 and December 31, 2018, Westar Energy had income taxes receivable from Evergy of \$32.0 million and \$42.7 million, respectively. As of March 31, 2019 and December 31, 2018, KCP&L had income taxes payable to Evergy of \$10.6 million and \$2.0 million, respectively.

### **Leases**

KCP&L leases certain transmission equipment from Westar Energy. This lease was entered into prior to the merger in an arms-length transaction and is accounted for as an operating lease. As of March 31, 2019, KCP&L had a right-of-use asset of \$30.0 million recorded within other long-term assets, \$0.6 million of lease liability recorded in other current liabilities and \$29.4 million of lease liability recorded in other long-term liabilities on its consolidated balance sheet related to this lease.

## **11. SHAREHOLDERS' EQUITY**

### **Common Stock Repurchase Program**

In July 2018, the Evergy Board authorized the repurchase of up to 60 million shares of Evergy's common stock. Although this repurchase authorization has no expiration date, Evergy expects to repurchase approximately 60 million shares by mid-2020. Evergy plans to utilize various methods to effectuate the share repurchase program, including but not limited to, a series of transactions that may include accelerated share repurchases (ASRs), open market transactions or other means, subject to market conditions and applicable legal requirements. The repurchase program may be suspended, discontinued or resumed at any time. For the three months ended March 31, 2019, Evergy had total repurchases of common stock of \$578.3 million and had repurchased 10.5 million shares under the repurchase program. Since its inception, Evergy has made total repurchases of common stock of approximately \$1.6 billion and has repurchased 26.9 million shares under the repurchase program. These repurchase totals include shares repurchased under an ASR agreement that had not reached final settlement as of March 31, 2019, and is discussed further below.

In November 2018, Evergy entered into an ASR agreement with a financial institution to purchase \$475.0 million of Evergy common stock. In December 2018, the financial institution delivered to Evergy 6.4 million shares of common stock, representing a partial settlement of the contract, based on then-current market prices and Evergy paid a total of \$475.0 million. The ASR agreement reached final settlement in February 2019 and resulted in the delivery of an additional 1.9 million shares to Evergy based on the average daily volume weighted-average price of Evergy common stock during the term of the ASR agreement, less a negotiated discount.

In March 2019, Evergy entered into an ASR agreement with a financial institution to purchase \$450.0 million of Evergy common stock. In March 2019, the financial institution delivered to Evergy 6.3 million shares of common stock, representing a partial settlement of the contract, based on then-current market prices and Evergy paid a total of \$450.0 million. The final number of shares of Evergy common stock that Evergy may receive or be required to remit upon settlement of the ASR agreement will be based on the average daily volume weighted-average price of Evergy common stock during the term of the ASR agreement, less a negotiated discount. Final settlement of the ASR agreement will occur by June 2019, but may occur earlier at the option of the financial institution. Evergy expects that the final settlement of the ASR agreement will result in the delivery of additional shares of common stock to Evergy at no additional cost.

Evergy reflects ASRs as a repurchase of common stock in the period the shares are delivered for purposes of calculating earnings per share and as forward contracts indexed to its own common stock. Evergy's ASRs have met all of the applicable criteria for equity classification and therefore are not accounted for as derivative instruments.

**Dividend Restrictions**

Evergy depends on its subsidiaries to pay dividends on its common stock. The Evergy Companies have certain restrictions stemming from statutory requirements, corporate organizational documents, covenants and other conditions that could affect dividend levels or the ability to pay dividends.

The KCC order authorizing the merger transaction requires Evergy to maintain consolidated common equity of at least 35% of total consolidated capitalization.

Under the Federal Power Act, Westar Energy, KCP&L and GMO generally can pay dividends only out of retained earnings. Certain conditions in the MPSC and KCC orders authorizing the merger transaction also require Westar Energy and KCP&L to maintain consolidated common equity of at least 40% of total capitalization. Other conditions in the MPSC and KCC merger orders require Westar Energy, KCP&L and GMO to maintain credit ratings of at least investment grade. If Westar Energy's, KCP&L's or GMO's credit ratings are downgraded below the investment grade level as a result of their affiliation with Evergy or any of Evergy's affiliates, the impacted utility shall not pay a dividend to Evergy without KCC or MPSC approval or until the impacted utility's investment grade credit rating has been restored.

The master credit facility of Evergy, Westar Energy, KCP&L and GMO, the term loan agreement of Evergy and the note purchase agreements for certain GMO senior notes contain covenants requiring the respective company to maintain a consolidated indebtedness to consolidated total capitalization ratio of not more than 0.65 to 1.00 at all times.

As of March 31, 2019, all of Evergy's and Westar Energy's retained earnings and net income were free of restrictions and KCP&L had a retained earnings restriction of \$471.2 million. Evergy's subsidiaries had restricted net assets of approximately \$5.4 billion as of March 31, 2019. These restrictions are not expected to affect the Evergy Companies' ability to pay dividends at the current level for the foreseeable future.

**12. TAXES**

Components of income tax expense are detailed in the following tables.

**Evergy**

<b>Three Months Ended March 31</b>	<b>2019</b>	<b>2018</b>
Current income taxes	(millions)	
Federal	\$ 11.9	\$ 0.2
State	(0.6)	—
Total	11.3	0.2
Deferred income taxes		
Federal	(7.3)	5.9
State	6.3	3.7
Total	(1.0)	9.6
Investment tax credit amortization	(1.0)	(0.6)
Income tax expense	\$ 9.3	\$ 9.2

**Westar Energy**

Three Months Ended March 31	2019	2018
Current income taxes	(millions)	
Federal	\$ 10.4	\$ 0.2
State	0.4	—
Total	10.8	0.2
Deferred income taxes		
Federal	(3.2)	5.9
State	3.6	3.7
Total	0.4	9.6
Investment tax credit amortization	(0.7)	(0.6)
Income tax expense	\$ 10.5	\$ 9.2

**KCP&L<sup>(a)</sup>**

Three Months Ended March 31	2019	2018
Current income taxes	(millions)	
Federal	\$ 7.9	\$ (1.3)
State	0.8	(0.5)
Total	8.7	(1.8)
Deferred income taxes		
Federal	(5.2)	3.6
State	0.4	2.0
Total	(4.8)	5.6
Investment tax credit amortization	(0.2)	(0.3)
Income tax expense	\$ 3.7	\$ 3.5

<sup>(a)</sup>KCP&L amounts are not included in consolidated Evergy for the three months ended March 31, 2018.

**Effective Income Tax Rates**

Effective income tax rates reflected in the financial statements and the reasons for their differences from the statutory federal rates are detailed in the following tables.

**Evergy**

Three Months Ended March 31	2019	2018
Federal statutory income tax rate	21.0 %	21.0 %
Effect of:		
COLI policies	(1.8)	(3.1)
State income taxes	4.6	4.2
Flow through depreciation for plant-related differences	(4.4)	0.9
Federal tax credits	(3.9)	(9.5)
Non-controlling interest	(0.3)	(0.5)
AFUDC equity	—	(0.2)
Amortization of federal investment tax credits	(0.5)	(0.6)
Valuation allowance	(7.0)	2.1
Stock compensation	0.1	(1.1)
Officer compensation limitation	0.2	—
Other	0.2	(0.5)
Effective income tax rate	8.2 %	12.7 %

**Westar Energy**

<b>Three Months Ended March 31</b>	<b>2019</b>	<b>2018</b>
Federal statutory income tax rate	21.0 %	21.0 %
Effect of:		
COLI policies	(3.2)	(3.1)
State income taxes	5.0	4.2
Flow through depreciation for plant-related differences	(0.1)	0.9
Federal tax credits	(6.1)	(9.5)
Non-controlling interest	(0.6)	(0.5)
AFUDC equity	(0.1)	(0.2)
Amortization of federal investment tax credits	(0.7)	(0.6)
Valuation allowance	(2.1)	2.1
Stock compensation	(0.1)	(1.1)
Other	0.3	(0.5)
Effective income tax rate	13.3 %	12.7 %

**KCP&L**

<b>Three Months Ended March 31</b>	<b>2019</b>	<b>2018</b>
Federal statutory income tax rate	21.0 %	21.0 %
Effect of:		
COLI policies	(0.1)	—
State income taxes	4.9	5.1
Flow through depreciation for plant-related differences	(7.2)	(6.9)
Federal tax credits	(1.5)	(2.0)
AFUDC equity	—	(0.3)
Amortization of federal investment tax credits	(0.3)	(0.4)
Stock compensation	1.0	(0.2)
Officer compensation limitation	0.3	—
Other	0.3	(1.4)
Effective income tax rate	18.4 %	14.9 %

**13. LEASES**

The Evergy Companies lease office buildings, computer equipment, vehicles, rail cars, generating plant and other property and equipment, including rail cars to serve jointly-owned generating units where Westar Energy or KCP&L is the managing partner and is reimbursed by other joint-owners for its proportionate share of the costs. A contract is or contains a lease if the contract conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. The Evergy Companies assess a contract as being or containing a lease if the contract identifies property, plant and equipment, provides the lessee the right to obtain substantially all of the economic benefits from use of the property, plant and equipment and provides the lessee the right to direct the use of the property, plant and equipment.

The Evergy Companies have entered several agreements to purchase energy through renewable purchase power agreements accounted for as leases that commenced prior to the application of Topic 842. Due to the intermittent nature of renewable generation, these leases have significant variable lease payments not included in the initial and subsequent measurement of the lease liability. Variable lease payments are expensed as incurred. In addition, certain other contracts contain payment for activity that transfers a separate good or service such as utilities or common area maintenance. The Evergy Companies have elected a practical expedient permitted by GAAP to not separate such components of the lease from other lease components for all leases.

The Evergy, Westar Energy and KCP&L leases have remaining terms ranging from 1 to 20 years, 1 to 20 years and 2 to 27 years, respectively. Leases that have original lease terms of twelve months or less are not recognized on the Evergy Companies' balance sheets. Some leases have options to renew the lease or terminate early at the election of the Evergy Companies. Judgment is applied at lease commencement to determine the reasonably certain lease term based on then-current assumptions about use of the leased asset, market conditions and terms in the contract. The judgment applied to determine the lease term can significantly impact the measurement of the lease liability and right-of-use asset and lease classification.

The Evergy Companies typically discount lease payments over the term of the lease using their incremental borrowing rates at lease commencement to measure its initial and subsequent lease liability. For leases that existed at the initial application of Topic 842, the Evergy Companies used the incremental borrowing rates that corresponded to the remaining lease term as of January 1, 2019.

Leases may be classified as either operating leases or finance leases. The lease classification is based on assumptions of the lease term and discount rate, as discussed above, and the fair market value and economic life of the leased asset. Operating leases recognize a consistent expense each period over the lease term, while finance leases will result in the separate presentation of interest expense on the lease liability and amortization of the right-of-use asset. Finance leases are treated as operating leases for rate-making purposes and as such, the Evergy Companies defer to a regulatory asset or liability any material differences between expense recognition and the timing of payments in order to match what is being recovered in customer rates.

The Evergy Companies' lease expense is detailed in the following table.

<b>Three Months Ended March 31, 2019</b>	<b>Evergy</b>	<b>Westar Energy</b>	<b>KCP&amp;L</b>
Finance lease costs		(millions)	
Amortization of right-of-use assets	\$ 1.1	\$ 1.0	\$ —
Interest on lease liabilities	0.7	0.6	—
Operating lease costs	6.4	3.8	2.3
Short-term lease costs	0.8	0.1	0.7
Variable lease costs for renewable purchase power agreements	73.9	32.2	29.1
Total lease costs	\$ 82.9	\$ 37.7	\$ 32.1

Supplemental cash flow information related to the Evergy Companies' leases is detailed in the following table.

<b>Three Months Ended March 31, 2019</b>	<b>Evergy</b>	<b>Westar Energy</b>	<b>KCP&amp;L</b>
Cash paid for amounts included in the measurement of lease liabilities:		(millions)	
Operating cash flows from operating leases	\$ 5.8	\$ 3.4	\$ 2.4
Operating cash flows from finance leases	0.7	0.6	—
Financing cash flows from finance leases	1.1	1.1	—
Right-of-use assets obtained in exchange for new operating lease liabilities	2.2	—	2.2
Right-of-use assets obtained in exchange for new finance lease liabilities	2.3	2.3	—

### Finance Leases

Right-of-use assets for finance leases are included in property, plant and equipment on the Evergy Companies' balance sheets. Lease liabilities for finance leases are included in other current and other long-term liabilities. Payments for finance leases as of March 31, 2019 are detailed in the following table.

	Evergy	Westar Energy	KCP&L
	(millions)		
April 2019 through December 2019	\$ 5.4	\$ 5.1	\$ 0.2
2020	7.0	6.6	0.2
2021	6.5	6.0	0.2
2022	5.7	5.2	0.2
2023	4.8	4.4	0.2
After 2023	48.4	46.4	1.0
Total finance lease payments	77.8	73.7	2.0
Amounts representing imputed interest	(27.6)	(26.4)	(0.6)
Present value of lease payments	50.2	47.3	1.4
Less: current portion	(4.2)	(4.0)	(0.1)
Total long-term obligations under finance leases	\$ 46.0	\$ 43.3	\$ 1.3
Weighted-average lease term (years)	15.4	15.8	9.4
Weighted-average discount rate	5.7%	5.6%	7.6%

Estimated future commitments under finance leases as of December 31, 2018 are detailed in the following table.

	Evergy	Westar Energy	KCP&L
	(millions)		
2019	\$ 6.4	\$ 6.0	\$ 0.2
2020	5.8	5.4	0.2
2021	5.3	4.9	0.2
2022	4.7	4.3	0.2
2023	4.0	3.6	0.2
After 2023	48.6	46.4	1.1
Total finance lease payments	74.8	70.6	2.1
Amounts representing imputed interest	(25.8)	(24.6)	(0.6)
Present value of net minimum lease payments under finance leases	49.0	46.0	1.5
Less: current portion	(3.9)	(3.7)	(0.1)
Total long-term obligations under finance leases	\$ 45.1	\$ 42.3	\$ 1.4

## Operating Leases

Right-of-use assets for operating leases are included in other long-term assets on the Evergy Companies' balance sheets. Lease liabilities for operating leases are included in other current and other long-term liabilities. Lease payments for operating leases as of March 31, 2019 are detailed in the following table.

	Evergy	Westar Energy		KCP&L
	(millions)			
April 2019 through December 2019	\$ 15.6	\$ 9.5	\$ 7.6	
2020	18.7	10.2	10.6	
2021	15.3	7.3	10.1	
2022	12.4	5.1	9.3	
2023	9.4	2.6	8.8	
After 2023	52.4	2.8	91.3	
Total operating lease payments	123.8	37.5	137.7	
Amounts representing imputed interest	(20.8)	(2.7)	(38.4)	
Present value of lease payments	103.0	34.8	99.3	
Less: current portion	(16.1)	(10.5)	(6.3)	
Total long-term obligations under operating leases	\$ 86.9	\$ 24.3	\$ 93.0	
Weighted-average lease term (years)	9.3	4.2	16.2	
Weighted-average discount rate	3.9%	3.4%	4.1%	

Estimated future commitments under operating leases as of December 31, 2018 are detailed in the following table.

	Evergy	Westar Energy		KCP&L
	(millions)			
2019	\$ 24.2	\$ 14.0	\$ 10.2	
2020	20.7	10.1	10.6	
2021	18.4	8.1	10.3	
2022	15.2	5.2	10.0	
2023	12.4	2.8	9.6	
After 2023	95.0	3.1	91.8	
Total operating lease payments	\$ 185.9	\$ 43.3	\$ 142.5	

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following combined Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the consolidated financial statements and accompanying notes in this combined Quarterly Report on Form 10-Q and the Evergy Companies' combined 2018 Form 10-K. None of the registrants make any representation as to information related solely to Evergy, Westar Energy or KCP&L other than itself.

## EVERGY, INC.

### **EXECUTIVE SUMMARY**

Evergy, Inc. is a public utility holding company incorporated in 2017 and headquartered in Kansas City, Missouri. Evergy operates primarily through the following wholly-owned direct subsidiaries:

- Westar Energy is an integrated, regulated electric utility that provides electricity to customers in the state of Kansas. Westar Energy has one active wholly-owned subsidiary with significant operations, KGE.
- KCP&L is an integrated, regulated electric utility that provides electricity to customers in the states of Missouri and Kansas.
- GMO is an integrated, regulated electric utility that provides electricity to customers in the state of Missouri.
- GPETHC owns 13.5% of Transource with the remaining 86.5% owned by AEP Transmission Holding Company, LLC, a subsidiary of AEP. Transource is focused on the development of competitive electric transmission projects. GPETHC accounts for its investment in Transource under the equity method.

Westar Energy also owns a 50% interest in Prairie Wind, which is a joint venture between Westar Energy and affiliates of AEP and Berkshire Hathaway Energy Company. Prairie Wind owns a 108-mile, 345 kV double-circuit transmission line that provides transmission service in the SPP. Westar Energy accounts for its investment in Prairie Wind under the equity method.

Westar Energy and KGE conduct business in their respective service territories using the name Westar Energy. KCP&L and GMO conduct business in their respective service territories using the name KCP&L. Collectively, the Evergy Companies have approximately 14,500 MWs of owned generating capacity and renewable purchased power agreements and engage in the generation, transmission, distribution and sale of electricity to approximately 1.6 million customers in the states of Kansas and Missouri. The Evergy Companies assess financial performance and allocate resources on a consolidated basis (i.e., operate in one segment).

#### **Great Plains Energy and Westar Energy Merger**

Evergy was incorporated in 2017 as Monarch Energy, a wholly-owned subsidiary of Great Plains Energy. Prior to the closing of the merger transactions, Monarch Energy changed its name to Evergy and did not conduct any business activities other than those required for its formation and matters contemplated by the Amended Merger Agreement. On June 4, 2018, in accordance with the Amended Merger Agreement, Great Plains Energy merged into Evergy, with Evergy surviving the merger and King Energy merged into Westar Energy, with Westar Energy surviving the merger. These merger transactions resulted in Evergy becoming the parent entity of Westar Energy and the direct subsidiaries of Great Plains Energy, including KCP&L and GMO. As a result of the closing of the merger transactions, each outstanding share of Great Plains Energy common stock was converted into 0.5981 shares of Evergy common stock, resulting in the issuance of 128.9 million shares. Additionally, each outstanding share of Westar Energy common stock was converted into 1 share of Evergy common stock.

Westar Energy was determined to be the accounting acquirer and thus, the predecessor of Evergy. Therefore, Evergy's accompanying consolidated financial statements reflect the results of operations of Westar Energy for the three months ended March 31, 2018. Evergy had separate operations for the period beginning with the quarter ended June 30, 2018, and references to amounts for periods after the closing of the merger relate to Evergy. The results of Great Plains Energy's direct subsidiaries have been included in Evergy's results of operations from the date of the closing of the merger and thereafter.

#### **Common Stock Repurchase Program**

In July 2018, the Evergy Board authorized the repurchase of up to 60 million shares of Evergy's common stock. Although this repurchase authorization has no expiration date, Evergy expects to repurchase approximately 60 million shares by mid-2020. Evergy plans to utilize various methods to effectuate the share repurchase program,

including but not limited to a series of transactions that may include ASRs, open market transactions or other means, subject to market conditions and applicable legal requirements. The repurchase program may be suspended, discontinued or resumed at any time. For the three months ended March 31, 2019, Evergy had total repurchases of common stock of \$578.3 million and had repurchased 10.5 million shares under the repurchase program. Since its inception, Evergy has made total repurchases of common stock of approximately \$1.6 billion and has repurchased 26.9 million shares under the repurchase program.

See Note 11 to the consolidated financial statements for more information regarding Evergy's common stock repurchase program.

### Regulatory Proceedings

See Note 4 to the consolidated financial statements for information regarding regulatory proceedings.

### Earnings Overview

The following table summarizes Evergy's net income and diluted earnings per common share (EPS).

Three Months Ended March 31	2019	2018	Change
	(millions, except per share amounts)		
Net income attributable to Evergy, Inc.	\$ 99.5	\$ 60.5	\$ 39.0
Earnings per common share, diluted	0.39	0.42	(0.03)

Net income attributable to Evergy, Inc. increased for the three months ended March 31, 2019, compared to the same period in 2018, primarily due to the inclusion of KCP&L's and GMO's earnings in 2019, higher Westar Energy retail sales driven by colder weather and lower Westar Energy operating and maintenance expense, partially offset by higher Westar Energy depreciation expense.

Diluted EPS decreased by \$0.03 for the three months ended March 31, 2019, compared to the same period in 2018, primarily due to a higher number of diluted weighted average common shares outstanding in 2019 due to the issuance of common shares to Great Plains Energy shareholders as a result of the merger which diluted EPS by \$0.30, partially offset by the increase to net income attributable to Evergy, Inc. discussed above.

For additional information regarding the change in net income, refer to the Evergy Results of Operations section within this MD&A.

### Adjusted Earnings (non-GAAP) and Adjusted Earnings Per Share (non-GAAP)

Evergy's adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) for the three months ended March 31, 2019 were \$111.1 million or \$0.44 per share, respectively. For the three months ended March 31, 2018, Evergy's adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) were \$91.9 million and \$0.34 per share, respectively. In addition to net income attributable to Evergy, Inc., diluted earnings per common share, pro forma net income attributable to Evergy, Inc. and pro forma diluted earnings per common share as prepared in accordance with GAAP, Evergy's management uses adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) to evaluate earnings and earnings per share without the non-recurring costs resulting from rebranding and voluntary severance.

Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) exclude certain costs resulting from rebranding and voluntary severance. This information is intended to enhance an investor's overall understanding of results. Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) are used internally to measure performance against budget and in reports for management and the Evergy Board. Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) are financial measures that are not calculated in accordance with GAAP and may not be comparable to other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

The following table provides a reconciliation between net income attributable to Evergy, Inc., diluted earnings per common share, pro forma net income attributable to Evergy, Inc. and pro forma diluted earnings per common share as determined in accordance with GAAP and adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP).

Three Months Ended March 31	Earnings (Loss) per Diluted Share		Earnings (Loss) per Diluted Share	
	2019		2018	
	(millions, except per share amounts)			
Net income attributable to Evergy, Inc.	\$ 99.5	\$ 0.39	\$ 60.5	\$ 0.42
Pro forma adjustments <sup>(a)</sup> :				
Great Plains Energy earnings prior to merger	—	—	35.0	0.13
Great Plains Energy shares prior to merger	n/a	—	n/a	(0.20)
Non-recurring merger costs and other	—	—	(3.6)	(0.01)
Pro forma net income attributable to Evergy, Inc.	\$ 99.5	\$ 0.39	\$ 91.9	\$ 0.34
Non-GAAP reconciling items:				
Rebranding costs, pre-tax <sup>(b)</sup>	0.2	—	—	—
Voluntary severance costs, pre tax <sup>(c)</sup>	14.8	0.06	—	—
Income tax benefit <sup>(d)</sup>	(3.4)	(0.01)	—	—
Adjusted earnings (non-GAAP)	\$ 111.1	\$ 0.44	\$ 91.9	\$ 0.34

<sup>(a)</sup> Reflects pro forma adjustments made in accordance with Article 11 of Regulation S-X and Accounting Standards Codification (ASC) 805 - *Business Combinations*. See Note 1 to the consolidated financial statements for further information regarding these adjustments.

<sup>(b)</sup> Reflects external costs incurred to rebrand the legacy Westar Energy and KCP&L utility brands to Evergy and are included in operating and maintenance expense on the consolidated statements of comprehensive income.

<sup>(c)</sup> Reflects voluntary severance costs incurred associated with various severance programs at the Evergy Companies and are included in operating and maintenance expense on the consolidated statements of comprehensive income.

<sup>(d)</sup> Reflects an income tax effect calculated at a 26.1% statutory rate, with the exception of certain non-deductible items.

### Wolf Creek Refueling Outage

Wolf Creek's most recent refueling outage began in March 2018 and the unit returned to service in May 2018. Wolf Creek's next refueling outage is planned to begin in the third quarter of 2019.

### ENVIRONMENTAL MATTERS

See Note 9 to the consolidated financial statements for information regarding environmental matters.

### RELATED PARTY TRANSACTIONS

See Note 10 to the consolidated financial statements for information regarding related party transactions.

**EVERGY RESULTS OF OPERATIONS**

The following table summarizes Evergy's comparative results of operations.

Three Months Ended March 31	2019	Change	2018
	(millions)		
Operating revenues	\$ 1,216.9	\$ 616.7	\$ 600.2
Fuel and purchased power	330.0	194.5	135.5
SPP network transmission costs	63.5	(4.1)	67.6
Other operating expenses	400.2	216.2	184.0
Depreciation and amortization	213.6	124.0	89.6
Income from operations	209.6	86.1	123.5
Other income (expense), net	(8.0)	1.0	(9.0)
Interest expense	91.1	47.3	43.8
Income tax expense	9.3	0.1	9.2
Equity in earnings of equity method investees, net of income taxes	2.2	0.8	1.4
Net income	103.4	40.5	62.9
Less: Net income attributable to noncontrolling interests	3.9	1.5	2.4
Net income attributable to Evergy, Inc.	\$ 99.5	\$ 39.0	\$ 60.5

**Evergy Utility Gross Margin and MWh Sales**

Utility gross margin is a financial measure that is not calculated in accordance with GAAP. Utility gross margin, as used by the Evergy Companies, is defined as operating revenues less fuel and purchased power costs and amounts billed by the SPP for network transmission costs. Expenses for fuel and purchased power costs, offset by wholesale sales margin, are subject to recovery through cost adjustment mechanisms. As a result, changes in fuel and purchased power costs are offset in operating revenues with minimal impact on net income. In addition, SPP network transmission costs fluctuate primarily due to investments by SPP members for upgrades to the transmission grid within the SPP Regional Transmission Organization (RTO). As with fuel and purchased power costs, changes in SPP network transmission costs are mostly reflected in the prices charged to customers with minimal impact on net income.

Management believes that utility gross margin provides a meaningful basis for evaluating the Evergy Companies' operations across periods compared with operating revenues because utility gross margin excludes the revenue effect of fluctuations in these expenses. Utility gross margin is used internally to measure performance against budget and in reports for management and the Evergy Board. The Evergy Companies' definition of utility gross margin may differ from similar terms used by other companies.

The following tables summarize Evergy's utility gross margin and MWhs sold.

Three Months Ended March 31	Revenues and Expenses			MWhs Sold		
	2019	Change	2018	2019	Change	2018
Retail revenues		(millions)			(thousands)	
Residential	\$ 451.7	\$ 271.4	\$ 180.3	3,964	2,492	1,472
Commercial	413.5	258.1	155.4	4,424	2,727	1,697
Industrial	147.0	53.5	93.5	2,011	652	1,359
Other retail revenues	9.8	5.6	4.2	36	22	14
Total electric retail	1,022.0	588.6	433.4	10,435	5,893	4,542
Wholesale revenues	83.1	(11.1)	94.2	4,029	1,128	2,901
Transmission revenues	76.7	4.8	71.9	N/A		N/A
Other revenues	35.1	34.4	0.7	N/A		N/A
Operating revenues	1,216.9	616.7	600.2	14,464	7,021	7,443
Fuel and purchased power	(330.0)	(194.5)	(135.5)			
SPP network transmission costs	(63.5)	4.1	(67.6)			
Utility gross margin <sup>(a)</sup>	\$ 823.4	\$ 426.3	\$ 397.1			

<sup>(a)</sup> Utility gross margin is a non-GAAP financial measure. See explanation of utility gross margin above.

Evergy's utility gross margin increased \$426.3 million for the three months ended March 31, 2019, compared to the same period in 2018 driven by:

- a \$412.8 million increase due to the inclusion of KCP&L's and GMO's utility gross margin in 2019;
- an \$11.8 million increase primarily due to higher Westar Energy retail sales driven by colder winter weather. For the three months ended March 31, 2019, compared to the same period in 2018, heating degree days increased 10%; and
- a \$3.9 million increase from new Westar Energy retail rates effective in September 2018, net of a \$15.1 million provision for rate refund recorded at Westar Energy in the first quarter of 2018 for the change in corporate income tax rate caused by the Tax Cuts and Jobs Act (TCJA); partially offset by
- a \$2.2 million reduction in revenue recorded at Westar Energy for annual bill credits as a result of conditions in the KCC merger order.

#### Other Operating Expenses (including operating and maintenance expense and taxes other than income tax)

Evergy's other operating expenses increased \$216.2 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily driven by:

- a \$175.3 million increase in operating and maintenance expense due to the inclusion of KCP&L's and GMO's operating and maintenance expenses in 2019;
- a \$45.3 million increase in taxes other than income taxes due to the inclusion of KCP&L and GMO amounts in 2019; and
- \$7.4 million of Westar Energy voluntary severance expenses incurred in the first quarter of 2019; partially offset by
- a \$3.9 million decrease in Westar Energy's 47% ownership share of Wolf Creek operating and maintenance expense due to a \$3.1 million decrease primarily driven by lower employee labor and benefit costs as a result of fewer employees in 2019 and a \$0.8 million decrease in the amortization of deferred refueling outage costs;
- a \$3.8 million decrease in Westar Energy labor and employee benefit costs due to a decrease in medical and dental expenses primarily due to lower claims in 2019; and
- a \$3.5 million decrease in Westar Energy transmission and distribution operating and maintenance expense primarily due to the timing of vegetation management projects.

### **Depreciation and Amortization**

Evergy's depreciation and amortization increased \$124.0 million for the three months ended March 31, 2019, compared to the same period in 2018 driven by:

- a \$103.8 million increase due to the inclusion of KCP&L's and GMO's depreciation expense in 2019; and
- a \$20.2 million increase in Westar Energy's depreciation expense primarily due to a change in depreciation rates effective in September 2018 as a result of Westar Energy's 2018 rate case.

### **Interest Expense**

Evergy's interest expense increased \$47.3 million for the three months ended March 31, 2019, compared to the same period in 2018, primarily driven by the inclusion of KCP&L's and GMO's interest expense in 2019.

## **LIQUIDITY AND CAPITAL RESOURCES**

Evergy relies primarily upon cash from operations, short-term borrowings, debt issuances and its existing cash and cash equivalents to fund its capital requirements. Evergy's capital requirements primarily consist of capital expenditures, payment of contractual obligations and other commitments, the payment of dividends to shareholders and the repurchase of common shares. See the Evergy Companies' combined 2018 Form 10-K for more information on Evergy's sources and uses of cash.

### **Short-Term Borrowings**

As of March 31, 2019, Evergy had \$1.7 billion of available borrowing capacity under its master credit facility. Westar Energy's, KCP&L's and GMO's borrowing capacity under the master credit facility also support their issuance of commercial paper. The available borrowing capacity under the master credit facility consisted of \$349.0 million for Evergy, Inc., \$567.9 million for Westar Energy, \$421.3 million for KCP&L and \$326.7 million for GMO. See Note 6 to the consolidated financial statements for more information regarding the master credit facility. Along with cash flows from operations and receivable sales facilities, Evergy generally uses borrowings under its master credit facility and the issuance of commercial paper to meet its day-to-day cash flow requirements. Evergy also has a term loan credit agreement which is discussed further below.

In March 2019, Evergy entered into a \$1.0 billion, 6-month term loan credit agreement with a group of banks to provide short-term financing for its common stock repurchase plan. The agreement allows for two term loans during the 6-month term of the agreement, in an aggregate principal amount not to exceed the credit limit of the agreement. At closing, Evergy borrowed \$500.0 million under the agreement, allowing for one additional term loan borrowing in a principal amount up to \$500.0 million. At March 31, 2019, Evergy had \$500.0 million of outstanding cash borrowings under the agreement at a weighted-average interest rate of 3.03%. Evergy anticipates repaying borrowings under the term loan credit agreement with proceeds from an expected long-term debt issuance in the second half of 2019.

### **Significant Debt Issuances**

See Note 7 to the consolidated financial statements for information regarding significant debt issuances.

### **Pensions**

For the three months ended March 31, 2019, Evergy made pension contributions of \$12.3 million. Evergy expects to make additional pension contributions of \$103.2 million in 2019 to satisfy ERISA funding requirements and KCC and MPSC rate orders, of which \$29.9 million is expected to be paid by Westar Energy and \$73.3 million is expected to be paid by KCP&L. Also in 2019, Evergy expects to make contributions of \$2.8 million to the post-retirement benefit plans.

### **Common Stock Repurchase Program**

In July 2018, the Evergy Board authorized the repurchase of up to 60 million shares of Evergy's common stock. Although this repurchase authorization has no expiration date, Evergy expects to repurchase approximately 60 million shares by mid-2020. For the three months ended March 31, 2019, Evergy had total repurchases of common stock of \$578.3 million and had repurchased 10.5 million shares under the repurchase program. Since its inception,

Evergy has made total repurchases of common stock of approximately \$1.6 billion and has repurchased 26.9 million shares under the repurchase program. These repurchase totals include shares repurchased under an ASR agreement that had not reached final settlement as of March 31, 2019. This ASR agreement was entered into in March 2019 with a financial institution and resulted in the initial delivery to Evergy of 6.3 million shares of common stock, representing a partial settlement of the contract, based on then-current market prices and Evergy paid a total of \$450.0 million. Final settlement of the ASR agreement will occur by June 2019, but may occur earlier at the option of the financial institution.

See Note 11 to the consolidated financial statements for more information regarding Evergy's common stock repurchase program.

#### **Debt Covenants**

As of March 31, 2019, Evergy was in compliance with all debt covenants under the master credit facility, the term loan agreement and certain debt instruments that contain restrictions that require the maintenance of certain capitalization and leverage ratios. See Note 6 to the consolidated financial statements for more information.

#### **Off-Balance Sheet Arrangement**

Evergy's off-balance sheet arrangements were reported in the Evergy Companies' combined 2018 Form 10-K. As of March 31, 2019, there have been no material changes with regards to these off-balance sheet arrangements.

#### **Cash Flows**

The following table presents Evergy's cash flows from operating, investing and financing activities.

<b>Three Months Ended March 31</b>	<b>2019</b>	<b>2018</b>
	(millions)	
Cash flows from operating activities	\$ 362.1	\$ 259.6
Cash flows used in investing activities	(271.4)	(174.1)
Cash flows from (used in) financing activities	296.9	(77.7)

#### ***Cash Flows from Operating Activities***

Evergy's cash flows from operating activities increased \$102.5 million for the three months ended March 31, 2019, compared to the same period in 2018, primarily driven by a \$114.5 million increase due to the inclusion of KCP&L's and GMO's cash flows from operating activities in 2019.

#### ***Cash Flows used in Investing Activities***

Evergy's cash flows used in investing activities increased \$97.3 million for the three months ended March 31, 2019, compared to the same period in 2018, primarily driven by a \$157.2 million increase in additions to property, plant and equipment due to the inclusion of KCP&L's and GMO's additions to property, plant and equipment in 2019; partially offset by an increase of \$38.3 million in proceeds primarily from Westar Energy corporate-owned life insurance (COLI) investments in 2019.

#### ***Cash Flows from (used in) Financing Activities***

Evergy's cash flows from financing activities increased \$374.6 million for the three months ended March 31, 2019, compared to the same period in 2018, primarily driven by a \$558.3 million increase in short-term debt, net primarily due to Evergy's \$500.0 million of borrowings under its term loan credit facility entered into in March 2019; and a \$494.0 million increase in net proceeds from long-term debt due to KCP&L's issuance of \$400.0 million of 4.125% Mortgage Bonds and GMO's issuance of \$100.0 million of 3.74% Senior Notes in March 2019; partially offset by the repurchase of common stock under repurchase plan of \$578.3 million as a result of Evergy's share repurchase program in 2019; and an increase in cash dividends paid of \$62.4 million due to an increase in outstanding shares of common stock in 2019 following the close of the merger and a \$0.075 per share increase in the quarterly dividend paid in March 2019.

**WESTAR ENERGY, INC.**
**MANAGEMENT'S NARRATIVE ANALYSIS OF RESULTS OF OPERATIONS**

The below results of operations and related discussion for Westar Energy is presented in a reduced disclosure format in accordance with General Instruction (H)(2)(a) to Form 10-Q.

The following table summarizes Westar Energy's comparative results of operations.

Three Months Ended March 31	2019	Change	2018
	(millions)		
Operating revenues	\$ 596.8	\$ (3.4)	\$ 600.2
Fuel and purchased power	122.7	(12.8)	135.5
SPP network transmission costs	63.5	(4.1)	67.6
Other operating expenses	176.5	(7.5)	184.0
Depreciation and amortization	109.8	20.2	89.6
Income from operations	124.3	0.8	123.5
Other income (expense), net	(1.8)	7.2	(9.0)
Interest expense	44.9	1.1	43.8
Income tax expense	10.5	1.3	9.2
Equity in earnings of equity method investees, net of income taxes	1.2	(0.2)	1.4
Net income	68.3	5.4	62.9
Less: Net income attributable to noncontrolling interests	3.9	1.5	2.4
Net income attributable to Westar Energy, Inc.	\$ 64.4	\$ 3.9	\$ 60.5

**Westar Energy Utility Gross Margin and MWh Sales**

The following table summarizes Westar Energy's utility gross margin and MWhs sold.

Three Months Ended March 31	Revenues and Expenses			MWhs Sold		
	2019	Change	2018	2019	Change	2018
	(millions)			(thousands)		
Retail revenues						
Residential	\$ 192.3	\$ 12.0	\$ 180.3	1,546	74	1,472
Commercial	164.3	8.9	155.4	1,728	31	1,697
Industrial	98.4	4.9	93.5	1,342	(17)	1,359
Other retail revenues	5.1	0.9	4.2	12	(2)	14
Total electric retail	460.1	26.7	433.4	4,628	86	4,542
Wholesale revenues	61.3	(32.9)	94.2	2,073	(828)	2,901
Transmission revenues	69.2	(2.7)	71.9	N/A	N/A	N/A
Other revenues	6.2	5.5	0.7	N/A	N/A	N/A
Operating revenues	596.8	(3.4)	600.2	6,701	(742)	7,443
Fuel and purchased power	(122.7)	12.8	(135.5)			
SPP network transmission costs	(63.5)	4.1	(67.6)			
Utility gross margin <sup>(a)</sup>	\$ 410.6	\$ 13.5	\$ 397.1			

<sup>(a)</sup> Utility gross margin is a non-GAAP financial measure. See explanation of utility gross margin under Evergy's Results of Operations.

Westar Energy's utility gross margin increased \$13.5 million for the three months ended March 31, 2019, compared to the same period in 2018 driven by:

- an \$11.8 million increase primarily due to higher retail sales driven by colder winter weather. For the three months ended March 31, 2019, compared to the same period in 2018, heating degree days increased 10%; and

- a \$3.9 million increase from new retail rates effective in September 2018, net of a \$15.1 million provision for rate refund recorded in the first quarter of 2018 for the change in corporate income tax rate caused by the TCJA; partially offset by
- a \$2.2 million reduction in revenue recorded for annual bill credits as a result of conditions in the KCC merger order.

**Westar Energy Other Operating Expenses (including operating and maintenance expense and taxes other than income tax)**

Westar Energy's other operating expenses decreased \$7.5 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily driven by:

- a \$3.9 million decrease in Westar Energy's 47% ownership share of Wolf Creek operating and maintenance expense due to a \$3.1 million decrease primarily driven by lower employee labor and benefit costs as a result of fewer employees in 2019 and a \$0.8 million decrease in the amortization of deferred refueling outage costs;
- a \$3.8 million decrease in labor and employee benefit costs due to a decrease in medical and dental expenses primarily due to lower claims in 2019; and
- a \$3.5 million decrease in transmission and distribution operating and maintenance expense, primarily due to the timing of vegetation management projects; partially offset by
- \$7.4 million of voluntary severance expenses incurred in the first quarter of 2019.

**Westar Energy Depreciation and Amortization**

Westar Energy's depreciation and amortization expense increased \$20.2 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily due to a change in depreciation rates effective in September 2018 as a result of Westar Energy's 2018 rate case.

**Westar Energy Other Income (Expense), Net**

Westar Energy's other expense, net decreased \$7.2 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily driven by a \$6.2 million increase in COLI benefits.

**Westar Energy Interest Expense**

Westar Energy's interest expense increased \$1.1 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily driven by higher commercial paper interest rates and short-term borrowings in 2019.

## KANSAS CITY POWER & LIGHT COMPANY

### MANAGEMENT'S NARRATIVE ANALYSIS OF RESULTS OF OPERATIONS

The below results of operations and related discussion for KCP&L is presented in a reduced disclosure format in accordance with General Instruction (H)(2)(a) to Form 10-Q.

The following table summarizes KCP&L's comparative results of operations.

Three Months Ended March 31	2019	Change	2018
	(millions)		
Operating revenues	\$ 425.4	\$ 28.3	\$ 397.1
Fuel and purchased power	134.9	17.4	117.5
Other operating expenses	154.7	3.0	151.7
Depreciation and amortization	78.9	12.0	66.9
Income from operations	56.9	(4.1)	61.0
Other income (expense), net	(3.4)	0.9	(4.3)
Interest expense	33.8	0.8	33.0
Income tax expense	3.7	0.2	3.5
Net income	\$ 16.0	\$ (4.2)	\$ 20.2

### **KCP&L Utility Gross Margin and MWh Sales**

The following table summarizes KCP&L's utility gross margin and MWhs sold.

Three Months Ended March 31	Revenues and Expenses			MWhs Sold		
	2019	Change	2018	2019	Change	2018
	(millions)			(thousands)		
Retail revenues						
Residential	\$ 164.2	\$ 9.3	\$ 154.9	1,397	51	1,346
Commercial	183.8	2.0	181.8	1,894	35	1,859
Industrial	29.7	(2.5)	32.2	377	(33)	410
Other retail revenues	2.6	(0.1)	2.7	19	—	19
Total electric retail	380.3	8.7	371.6	3,687	53	3,634
Wholesale revenues	18.1	15.0	3.1	1,797	417	1,380
Transmission revenues	3.1	(0.2)	3.3	N/A	N/A	N/A
Other revenues	23.9	4.8	19.1	N/A	N/A	N/A
Operating revenues	425.4	28.3	397.1	5,484	470	5,014
Fuel and purchased power	(134.9)	(17.4)	(117.5)			
Utility gross margin <sup>(a)</sup>	\$ 290.5	\$ 10.9	\$ 279.6			

<sup>(a)</sup> Utility gross margin is a non-GAAP financial measure. See explanation of utility gross margin under Evergy's Results of Operations.

KCP&L's utility gross margin increased \$10.9 million for the three months ended March 31, 2019, compared to the same period in 2018 driven by:

- a \$10.4 million increase from new retail rates effective in December 2018, net of a \$15.2 million provision for rate refund recorded in the first quarter of 2018 for the change in corporate income tax rate caused by the TCJA;
- a \$4.1 million increase in Missouri Energy Efficiency Investment Act (MEEIA) earnings opportunity related to the achievement of certain energy savings levels in the second cycle of KCP&L's MEEIA program; and

- a \$3.7 million increase primarily due to higher retail sales driven by colder winter weather. For the three months ended March 31, 2019, compared to the same period in 2018, heating degree days increased 9%; partially offset by
- a \$3.8 million decrease for recovery of programs costs for energy efficiency programs under MEEIA, which have a direct offset in operating and maintenance expense; and
- a \$3.5 million decrease primarily due to the over-collection of KCP&L's Transmission Delivery Charge rider.

**KCP&L Other Operating Expenses (including operating and maintenance expense and taxes other than income tax)**

KCP&L's other operating expenses increased \$3.0 million for the three months ended March 31, 2019, compared to the same period in 2018 primarily driven by:

- an \$8.9 million increase in transmission and distribution operating and maintenance expense primarily due to costs incurred from storms that occurred in January 2019; and
- \$5.2 million of voluntary severance expenses incurred in the first quarter of 2019; partially offset by
- a \$4.9 million decrease in plant operating and maintenance expense at coal-fired units primarily driven by:
  - a \$3.6 million decrease primarily due to scheduled maintenance outages at KCP&L's Hawthorn No. 5 Unit and Iatan No. 2 Unit in March 2018; and
  - a \$1.9 million decrease due to the retirement of KCP&L's Montrose Station in December 2018.
- a \$3.9 million decrease in KCP&L's 47% ownership share of Wolf Creek operating and maintenance expense due to a \$3.2 million decrease primarily driven by lower employee labor and benefit costs as a result of fewer employees in 2019 and a \$0.7 million decrease in the amortization of deferred refueling outage costs; and
- a \$3.8 million decrease in program costs for energy efficiency programs under MEEIA, which have a direct offset in revenue.

**KCP&L Depreciation and Amortization**

KCP&L's depreciation and amortization increased \$12.0 million for the three months ended March 31, 2019, compared to the same period in 2018 driven by:

- a \$7.2 million increase primarily due to capital additions; and
- a \$4.8 million increase due to a change in depreciation rates effective in December 2018 as a result of KCP&L's 2018 Kansas rate case.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

In the ordinary course of business, Evergy faces risks that are either non-financial or non-quantifiable. Such risks principally include business, legal, operational and credit risks and are discussed elsewhere in this document as well as in the Evergy Companies' combined 2018 Form 10-K and therefore are not represented here.

Evergy's interim period disclosures about market risk included in quarterly reports on Form 10-Q address material changes, if any, from the most recently filed annual report on Form 10-K. Therefore, these interim period disclosures should be read in connection with Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk included in the Evergy Companies' combined 2018 Form 10-K.

## ITEM 4. CONTROLS AND PROCEDURES

### EVERGY

#### **Disclosure Controls and Procedures**

Evergy carried out an evaluation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). This evaluation was conducted under the supervision, and with the participation, of Evergy's management, including the chief executive officer and chief financial officer, and Evergy's disclosure committee. Based upon this evaluation, the chief executive officer and chief financial officer of Evergy have concluded as of the end of the period covered by this report that the disclosure controls and procedures of Evergy were effective at a reasonable assurance level.

#### **Changes in Internal Control Over Financial Reporting**

There has been no change in Evergy's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarterly period ended March 31, 2019, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

### WESTAR ENERGY

#### **Disclosure Controls and Procedures**

Westar Energy carried out an evaluation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). This evaluation was conducted under the supervision, and with the participation, of Westar Energy's management, including the chief executive officer and chief financial officer, and Westar Energy's disclosure committee. Based upon this evaluation, the chief executive officer and chief financial officer of Westar Energy have concluded as of the end of the period covered by this report that the disclosure controls and procedures of Westar Energy were effective at a reasonable assurance level.

#### **Changes in Internal Control Over Financial Reporting**

There has been no change in Westar Energy's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarterly period ended March 31, 2019, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

### KCP&L

#### **Disclosure Controls and Procedures**

KCP&L carried out an evaluation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). This evaluation was conducted under the supervision, and with the participation, of KCP&L's management, including the chief executive officer and chief financial officer, and KCP&L's disclosure committee. Based upon this evaluation, the chief executive officer and chief financial officer of KCP&L have concluded as of the end of the period covered by this report that the disclosure controls and procedures of KCP&L were effective at a reasonable assurance level.

#### **Changes in Internal Control Over Financial Reporting**

There has been no change in KCP&L's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarterly period ended March 31, 2019, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

**PART II - OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS****Other Proceedings**

The Evergy Companies are parties to various lawsuits and regulatory proceedings in the ordinary course of their respective businesses. For information regarding material lawsuits and proceedings, see Notes 4 and 9 to the consolidated financial statements. Such information is incorporated herein by reference.

**ITEM 1A. RISK FACTORS**

Actual results in future periods for the Evergy Companies could differ materially from historical results and the forward-looking statements contained in this report. The business of the Evergy Companies is influenced by many factors that are difficult to predict, involve uncertainties that may materially affect actual results and are often beyond their control. Additional risks and uncertainties not presently known or that management currently believes to be immaterial may also adversely affect the Evergy Companies. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in Part I, Item 1A, Risk Factors included in the 2018 Form 10-K for each of Evergy, KCP&L and Westar Energy, as well as Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed by Evergy, KCP&L and Westar Energy. There have been no material changes with regards to those risk factors. This information, as well as the other information included in this report and in the other documents filed with the SEC, should be carefully considered before making an investment in the securities of the Evergy Companies. Risk factors of KCP&L and Westar Energy are also risk factors of the Evergy Companies.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Purchases of Equity Securities**

The following table provides information regarding purchases by Evergy of its equity securities that are registered pursuant to Section 12 of the Exchange Act during the three months ended March 31, 2019.

<b>Issuer Purchases of Equity Securities</b>				
<b>Month</b>	<b>Total Number of Shares (or Units) Purchased<sup>(a)</sup></b>	<b>Average Price Paid per Share (or Unit)</b>	<b>Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs</b>	<b>Maximum Number of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs<sup>(a)</sup></b>
January 1 - 31	661,295	\$56.36	661,295	42,970,342
February 1 - 28	2,555,392	(a)	2,555,392	40,414,950
March 1 - 31	7,363,073	(b)	7,331,373	33,083,577
Total	10,579,760		10,548,060	33,083,577

<sup>(a)</sup> In February 2019, the November 2018 ASR agreement was settled, which resulted in the delivery of 1,936,994 additional shares of Evergy common stock at no additional cost. In total, 8,337,533 shares were delivered under this ASR at an average price paid per share of \$56.97. In addition, Evergy repurchased 618,398 shares of common stock in the open market at an average price of \$55.74.

<sup>(b)</sup> In March 2019, Evergy entered into a new ASR agreement to purchase \$450.0 million of Evergy common stock and through which 6,323,556 shares were delivered in March 2019. The final number of shares of Evergy common stock that will ultimately be delivered to Evergy, and therefore the average price paid per share, will be determined at the final settlement of the ASR by June 2019. In addition, Evergy repurchased 1,007,817 shares of common stock in the open market at an average price of \$55.93. Evergy also purchased 31,700 shares for withholding taxes related to restricted stock and performance share vestings at an average price of \$55.74.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

Evergy's annual meeting of shareholders was held on May 7, 2019. In accordance with the recommendations of the Evergy Board, the shareholders (i) elected fifteen directors; (ii) approved, on an advisory and non-binding basis, the 2018 compensation of Evergy's named executive officers; (iii) approved, on an advisory and non-binding basis, a resolution for a one-year frequency of the advisory vote on executive compensation; and (iv) ratified the appointment of Deloitte & Touche LLP as independent registered public accountants for 2019. The proposals voted upon at the annual meeting, as well as the voting results for each proposal are set forth below.

**Item 1 on the Proxy Card.** The fifteen persons named below were elected, as proposed in the proxy statement, to serve as directors until Evergy's annual meeting in 2020, and until their successors are elected and qualified. The voting regarding the election was as follows:

	Number of Votes		
	For	Withheld	Broker Non-Votes
Terry Bassham	190,910,934	933,232	29,658,406
Mollie Hale Carter	190,796,944	1,047,222	29,658,406
Charles Q. Chandler IV	190,688,834	1,155,332	29,658,406
Gary D. Forsee	190,687,137	1,157,029	29,658,406
Scott D. Grimes	190,921,406	922,760	29,658,406
Richard L. Hawley	190,823,329	1,020,837	29,658,406
Thomas D. Hyde	190,831,247	1,012,919	29,658,406
B. Anthony Isaac	190,675,146	1,169,020	29,658,406
Sandra A.J. Lawrence	189,940,537	1,903,629	29,658,406
Ann D. Murtlow	190,889,125	955,041	29,658,406
Sandra J. Price	190,846,264	997,902	29,658,406
Mark A. Ruelle	188,755,775	3,088,391	29,658,406
John J. Sherman	190,791,164	1,053,002	29,658,406
S. Carl Soderstrom Jr.	137,012,013	54,832,153	29,658,406
John Arthur Stall	190,888,483	955,683	29,658,406

**Item 2 on the Proxy Card.** In an advisory and non-binding "say on pay" vote, shareholders approved the 2018 compensation of Evergy's named executive officers, with the following vote:

	Number of Votes			
	For	Against	Abstain	Broker Non-Votes
	186,075,423	4,931,190	837,553	29,658,406

**Item 3 on the Proxy Card.** In an advisory and non-binding vote, shareholders approved the option of every one year as the preferred frequency for advisory “say on pay” votes, with the following vote:

Number of Votes				
One Year	Two Years	Three Years	Abstain	Broker Non-Votes
188,106,502	399,289	2,600,179	738,196	29,658,406

In accordance with the results of this advisory vote, Evergy will hold future advisory “say on pay” votes annually.

**Item 4 on the Proxy Card.** Shareholders voted for the ratification and confirmation of the appointment of Deloitte & Touche LLP as Evergy’s independent registered public accounting firm for 2019, with the following vote:

Number of Votes			
For	Against	Abstain	Broker Non-Votes
219,141,327	1,870,723	490,522	0

**ITEM 6. EXHIBITS**

Exhibit Number	Description of Document	Registrant
3.1	* <a href="#">Amended and Restated By-laws of Kansas City Power &amp; Light Company, as amended March 25, 2019 (filed as Exhibit 3.1 to Evergy, Inc.’s Form 8-K filed on March 25, 2019).</a>	Evergy KCP&L
4.1	* <a href="#">Supplemental Indenture No. 8, dated March 1, 2019, between Kansas City Power &amp; Light Company and The Bank of New York Mellon Trust Company, N.A., as trustee (filed as Exhibit 4.1 to Evergy, Inc.’s Form 8-K filed on March 14, 2019).</a>	Evergy KCP&L
4.2	* <a href="#">Supplemental Indenture No. 2, dated March 1, 2019, between Kansas City Power &amp; Light Company and The Bank of New York Mellon, as trustee (filed as Exhibit 4.2 to Evergy, Inc.’s Form 8-K filed on March 14, 2019).</a>	Evergy KCP&L
4.3	* <a href="#">Sixteenth Supplemental Indenture, dated March 1, 2019, between Kansas City Power &amp; Light Company and UMB Bank N.A., as trustee (filed as Exhibit 4.3 to Evergy, Inc.’s Form 8-K filed on March 14, 2019).</a>	Evergy KCP&L
4.4	* <a href="#">Seventeenth Supplemental Indenture, dated March 27, 2019, between Kansas City Power &amp; Light Company and UMB Bank, N.A. (formerly United Missouri Bank of Kansas City, N.A.), as trustee (filed as Exhibit 4.1 to Evergy, Inc.’s Form 8-K filed on March 27, 2019).</a>	Evergy KCP&L
4.5	<a href="#">Note Purchase Agreement dated February 12, 2019, among KCP&amp;L Greater Missouri Operations Company and the purchaser party thereto.</a>	Evergy
10.1	*+ <a href="#">Form of Evergy, Inc. 2019 Performance-Based Restricted Stock Unit Agreement (filed as Exhibit 10.1 to Evergy, Inc.’s Form 8-K filed on February 15, 2019).</a>	Evergy Westar Energy KCP&L
10.2	*+ <a href="#">Form of Evergy, Inc. 2019 Time-Based Restricted Stock Unit Agreement (filed as Exhibit 10.2 to Evergy, Inc.’s Form 8-K filed on February 15, 2019).</a>	Evergy Westar Energy KCP&L

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<u>Exhibit Number</u>		<u>Description of Document</u>	<u>Registrant</u>
10.3	*+	<a href="#">Form of Evergy, Inc. Change-in-Control Severance Agreement (filed as Exhibit 10.3 to Evergy, Inc.'s Form 8-K filed on February 15, 2019).</a>	Evergy Westar Energy KCP&L
10.4	+	<a href="#">Form of Amended and Restated Change-in-Control Severance Agreement.</a>	Evergy Westar Energy KCP&L
10.5	+	<a href="#">2019 Annual Incentive Plan.</a>	Evergy Westar Energy KCP&L
10.6	*	<a href="#">Term Loan Credit Agreement, dated March 15, 2019, by and among Evergy, Inc., Wells Fargo Bank, National Association, as Administrative Agent, and the lenders referred to therein (filed as Exhibit 10.1 to Evergy, Inc.'s Form 8-K on March 15, 2019).</a>	Evergy
31.1		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Terry Bassham.</a>	Evergy
31.2		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Anthony D. Somma.</a>	Evergy
31.3		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Terry Bassham.</a>	KCP&L
31.4		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Anthony D. Somma.</a>	KCP&L
31.5		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Terry Bassham.</a>	Westar Energy
31.6		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Anthony D. Somma.</a>	Westar Energy
32.1	**	<a href="#">Section 1350 Certifications.</a>	Evergy
32.2	**	<a href="#">Section 1350 Certifications.</a>	KCP&L
32.3	**	<a href="#">Section 1350 Certifications.</a>	Westar Energy
101.INS		XBRL Instance Document.	Evergy Westar Energy KCP&L
101.SCH		XBRL Taxonomy Extension Schema Document.	Evergy Westar Energy KCP&L
101.CAL		XBRL Taxonomy Extension Calculation Linkbase Document.	Evergy Westar Energy KCP&L
101.DEF		XBRL Taxonomy Extension Definition Linkbase Document.	Evergy Westar Energy KCP&L
101.LAB		XBRL Taxonomy Extension Labels Linkbase Document.	Evergy Westar Energy KCP&L

\* Filed with the SEC as exhibits to prior SEC filings and are incorporated herein by reference and made a part hereof. The SEC filings and the exhibit number of the documents so filed, and incorporated herein by reference, are stated in parenthesis in the description of such exhibit.

\*\* Furnished and shall not be deemed filed for the purpose of Section 18 of the Exchange Act. Such document shall not be incorporated by reference into any registration statement or other document pursuant to the Exchange Act or the Securities Act of 1933, as amended, unless otherwise indicated in such registration statement or other document.

+ Indicates management contract or compensatory plan or arrangement.

Copies of any of the exhibits filed with the SEC in connection with this document may be obtained from Evergy, Westar Energy or KCP&L, as applicable, upon written request.

The registrants agree to furnish to the SEC upon request any instrument with respect to long-term debt as to which the total amount of securities authorized does not exceed 10% of total assets of such registrant and its subsidiaries on a consolidated basis.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, Evergy, Inc., Westar Energy, Inc. and Kansas City Power & Light Company have duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized.

**EVERGY, INC.**

Dated: May 8, 2019

By: /s/ Anthony D. Somma  
(Anthony D. Somma)  
(Executive Vice President and Chief Financial Officer)

**WESTAR ENERGY, INC.**

Dated: May 8, 2019

By: /s/ Anthony D. Somma  
(Anthony D. Somma)  
(Executive Vice President and Chief Financial Officer)

**KANSAS CITY POWER & LIGHT COMPANY**

Dated: May 8, 2019

By: /s/ Anthony D. Somma  
(Anthony D. Somma)  
(Executive Vice President and Chief Financial Officer)

KCP&L GREATER MISSOURI OPERATIONS COMPANY

\$100,000,000 3.74% Senior Notes due March 1, 2022

\_\_\_\_\_  
NOTE PURCHASE AGREEMENT  
\_\_\_\_\_

Dated February 12, 2019

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**KCP&L Greater Missouri Operations Company**

1200 Main Street  
Kansas City, MO 64105

\$100,000,000 3.74% Senior Notes due March 1, 2022

February 12, 2019

TO EACH OF THE PURCHASERS LISTED IN  
SCHEDULE B HERETO:

Ladies and Gentlemen:

KCP&L Greater Missouri Operations Company, a Delaware corporation (together with any successor thereto that becomes a party hereto pursuant to Section 10.2, the **“Company”**), agrees with each of the Purchasers as follows:

**SECTION 1. AUTHORIZATION OF NOTES .**

The Company will authorize the issue and sale of: \$100,000,000 aggregate principal amount of its 3.74% Senior Notes due March 1, 2022 (as amended, restated or otherwise modified from time to time pursuant to Section 17 and including any such notes issued in substitution therefor pursuant to Section 13, the **“Notes”**). The Notes shall be substantially in the form set out in Schedule 1. Certain capitalized and other terms used in this Agreement are defined in Schedule A. References to a “Schedule” are references to a Schedule attached to this Agreement unless otherwise specified. References to a “Section” are references to a Section of this Agreement unless otherwise specified.

**SECTION 2. SALE AND PURCHASE OF NOTES.**

Subject to the terms and conditions of this Agreement, the Company will issue and sell to each Purchaser and each Purchaser will purchase from the Company, at the Closing provided for in Section 3, Notes in the principal amount specified opposite such Purchaser’s name in Schedule B at the purchase price of 100% of the principal amount thereof. The Purchasers’ obligations hereunder are several and not joint obligations and no Purchaser shall have any liability to any Person for the performance or non-performance of any obligation by any other Purchaser hereunder.

**SECTION 3. CLOSING.**

This Agreement shall be executed and delivered on February 12, 2019. The sale and purchase of the Notes to be purchased by each Purchaser shall occur at the offices of Chapman and Cutler LLP, 111 West Monroe Street, Chicago, IL 60603, at 10:00 a.m., Chicago time, at a

closing (the “**Closing**”) on March 1, 2019. At the Closing the Company will deliver to each Purchaser the Notes to be purchased by such Purchaser in the form of a single Note (or such greater number of Notes in denominations of at least \$100,000 as such Purchaser may request) dated the date of the Closing and registered in such Purchaser’s name (or in the name of its nominee), against delivery by such Purchaser to the Company or its order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Company to account number 2000041710373 at Wells Fargo Bank, San Francisco, California, ABA 121000248, Account Name: KCP&L Greater Missouri Operations Company. If at the Closing the Company shall fail to tender such Notes to any Purchaser as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to such Purchaser’s satisfaction, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of any of the conditions specified in Section 4 not having been fulfilled to such Purchaser’s satisfaction or such failure by the Company to tender such Notes.

#### **SECTION 4. CONDITIONS TO CLOSING.**

Each Purchaser’s obligation to purchase and pay for the Notes to be sold to such Purchaser at the Closing is subject to the fulfillment to such Purchaser’s satisfaction, prior to or at the Closing, of the following conditions:

**Section 4.1. Representations and Warranties.** The representations and warranties of the Company in this Agreement shall be correct when made and at the Closing.

**Section 4.2. Performance; No Default.** The Company shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at the Closing and from the date of this Agreement to the Closing assuming that Sections 9 and 10 are applicable from the date of this Agreement. From the date of this Agreement until the Closing, before and after giving effect to the issue and sale of the Notes (and the application of the proceeds thereof as contemplated by Section 5.14), no Change of Control, Default or Event of Default shall have occurred and be continuing. Neither the Company nor any Subsidiary shall have entered into any transaction since December 31, 2017 that would have been prohibited by Section 10 had such Section applied since such date.

#### **Section 4.3. Compliance Certificates.**

(a) *Officer’s Certificate.* The Company shall have delivered to such Purchaser an Officer’s Certificate, dated the date of the Closing, certifying that the conditions specified in Sections 4.1, 4.2 and 4.9 have been fulfilled.

(b) *Secretary’s Certificate.* The Company shall have delivered to such Purchaser a certificate of its Secretary or Assistant Secretary, dated the date of the Closing, certifying as to (i) the resolutions attached thereto and other corporate proceedings relating to the authorization, execution and delivery of the Notes and this Agreement and (ii) the Company’s organizational documents as then in effect.

**Section 4.4. Opinions of Counsel.** Such Purchaser shall have received opinions in form and substance satisfactory to such Purchaser, dated the date of the Closing (a) from Hunton Andrews Kurth LLP, special counsel for the Company and Heather A. Humphrey, Senior Vice President, General Counsel and Corporate Secretary, covering the matters set forth in Schedule 4.4(a)(i) and Schedule 4.4(a)(ii), respectively, and covering such other matters incident to the transactions contemplated hereby as such Purchaser or its counsel may reasonably request (and the Company hereby instructs its counsel to deliver such opinion to the Purchasers) and (b) from Chapman and Cutler LLP, the Purchasers' special counsel in connection with such transactions, substantially in the form set forth in Schedule 4.4(b) and covering such other matters incident to such transactions as such Purchaser may reasonably request.

**Section 4.5. Purchase Permitted by Applicable Law, Etc.** On the date of the Closing such Purchaser's purchase of Notes shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date hereof. If requested by such Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

**Section 4.6. Sale of Other Notes.** Contemporaneously with the Closing the Company shall sell to each other Purchaser and each other Purchaser shall purchase the Notes to be purchased by it at the Closing as specified in Schedule B.

**Section 4.7. Payment of Special Counsel Fees.** Without limiting Section 15.1, the Company shall have paid on or before the date of this Agreement and the Closing the fees, charges and disbursements of the Purchasers' special counsel referred to in Section 4.4 to the extent reflected in a statement of such counsel rendered to the Company at least one Business Day prior to the date of this Agreement and the Closing.

**Section 4.8. Private Placement Number.** A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the SVO) shall have been obtained for the Notes.

**Section 4.9. Changes in Corporate Structure.** The Company shall not have changed its jurisdiction of incorporation or organization, as applicable, or been a party to any merger or consolidation or succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

**Section 4.10. Funding Instructions.** At least three Business Days prior to the date of the Closing, each Purchaser shall have received written instructions signed by a Responsible Officer on letterhead of the Company confirming the information specified in Section 3 including (i) the

name and address of the transferee bank, (ii) such transferee bank's ABA number and (iii) the account name and number into which the purchase price for the Notes is to be deposited.

**Section 4.11. Proceedings and Documents.** All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to such Purchaser and its special counsel, and such Purchaser and its special counsel shall have received all such counterpart originals or certified or other copies of such documents as such Purchaser or such special counsel may reasonably request.

**Section 4.12. Filing of the FERC Report.** The Company shall file the FERC Report concurrently with the issue of the Notes and shall provide evidence reasonably satisfactory to the Purchasers of such filing.

## **SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.**

The Company represents and warrants to each Purchaser that:

**Section 5.1. Organization; Power and Authority.** The Company is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Agreement and the Notes and to perform the provisions hereof and thereof.

**Section 5.2. Authorization, Etc.** This Agreement and the Notes have been duly authorized by all necessary corporate action on the part of the Company, and this Agreement constitutes, and upon execution and delivery thereof each Note will constitute, a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

**Section 5.3. Disclosure.** This Agreement, the financial statements listed in Schedule 5.5 and the documents, certificates or other writings delivered to the Purchasers by or on behalf of the Company prior to December 18, 2018 in connection with the transactions contemplated hereby and identified in Schedule 5.3 (this Agreement and such documents, certificates or other writings and such financial statements delivered to each Purchaser (including, in each case, information incorporated therein by reference) being referred to, collectively, as the "**Disclosure Documents**"), taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made; *provided*, that, to the extent any such reports, financial

statements, certificates or other information was based on or constitutes a forecast or a projection (including statements concerning future financial performance, ongoing business strategies or prospects or possible future actions, and other forward-looking statements), the Company represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the respective times such reports, financial statements, certificates or other information were prepared. Except as disclosed in the Disclosure Documents, since December 31, 2017, there has been no change in the financial condition, operations, business, properties or prospects of the Company or any Subsidiary except changes that could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. There is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the Disclosure Documents.

**Section 5.4. Organization and Ownership of Shares of Subsidiaries; Affiliates.** (a) Schedule 5.4 contains complete and correct lists of (i) the Company's Subsidiaries, showing, as to each Subsidiary, the name thereof, the jurisdiction of its organization or incorporation, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by the Company and each other Subsidiary, (ii) the Company's Affiliates, other than Subsidiaries, and (iii) the Company's directors and senior officers. The Company does not have any Significant Subsidiaries.

(b) All of the outstanding shares of capital stock or similar equity interests of each Subsidiary (other than any Inactive Subsidiary) shown in Schedule 5.4 as being owned by the Company and its Subsidiaries have been validly issued, are fully paid and non-assessable and are owned by the Company or another Subsidiary free and clear of any Lien that is prohibited by this Agreement.

(c) Each Subsidiary is a corporation or other legal entity duly incorporated or organized, validly existing and, where applicable, in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and, where applicable, is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Subsidiary has the corporate or other power and authority to own or hold under lease the properties it purports to own or hold under lease and to transact the business it transacts and proposes to transact, except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) No Subsidiary (other than any Inactive Subsidiary) is subject to any legal, regulatory, contractual or other restriction (other than customary limitations imposed by corporate law or similar statutes) restricting the ability of such Subsidiary to pay dividends out of profits or make any other similar distributions of profits to the Company or any of its Subsidiaries that owns outstanding shares of capital stock or similar equity interests of such Subsidiary.

**Section 5.5. Financial Statements; Material Liabilities.** The Company has delivered to each Purchaser copies of the financial statements of the Company and its Subsidiaries listed on Schedule 5.5. All of such financial statements (including in each case the related schedules and

notes) fairly present in all material respects the consolidated financial position of the Company and its Subsidiaries as of the respective dates specified in such Schedule and the consolidated results of their operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments). The Company and its Subsidiaries do not have any Material liabilities that are not disclosed in the Disclosure Documents.

**Section 5.6. Compliance with Laws, Other Instruments, Etc.** The execution, delivery and performance by the Company of this Agreement and the Notes will not (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Company or any Subsidiary under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, shareholders agreement or any other agreement or instrument to which the Company or any Subsidiary is bound or by which the Company or any Subsidiary or any of their respective properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority applicable to the Company or any Subsidiary or (iii) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Company or any Subsidiary.

**Section 5.7. Governmental Authorizations, Etc.** No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Company of this Agreement or the Notes except, in each case, as have been obtained and except for a Report of Securities Issued to be filed with the Federal Energy Regulatory Commission (the “**FERC Report**”).

**Section 5.8. Litigation; Observance of Agreements, Statutes and Orders.** (a) Except as disclosed in the Disclosure Documents (in notes 10 and 11 to the Company’s audited consolidated financial statements for the year ended December 31, 2017 and note 8 to each of the Company’s unaudited consolidated financial statements for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018), there are no actions, suits, investigations or proceedings pending or, to the best knowledge of the Company, threatened against or affecting the Company or any Subsidiary (other than any Inactive Subsidiary) or any property of the Company or any Subsidiary in any court or before any arbitrator of any kind or before or by any Governmental Authority that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Neither the Company nor any Subsidiary is (i) in default under any agreement or instrument to which it is a party or by which it is bound, (ii) in violation of any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or (iii) in violation of any applicable law, ordinance, rule or regulation of any Governmental Authority (including, without limitation, Environmental Laws, the USA PATRIOT Act or any of the other laws and regulations that are referred to in Section 5.16), which default or violation could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 5.9. Taxes.** The Company and its Subsidiaries have filed all tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon them or their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (i) the amount of which, individually or in the aggregate, is not Material or (ii) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the Company or a Subsidiary, as the case may be, has established adequate reserves in accordance with GAAP. The Company knows of no basis for any other tax or assessment that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Company and its Subsidiaries in respect of U.S. federal, state or other taxes for all fiscal periods are adequate. The U.S. federal income tax liabilities of the Company and its Subsidiaries have been finally determined (whether by reason of completed audits or the statute of limitations having run) for all fiscal years up to and including the fiscal year ended December 31, 2009.

**Section 5.10. Title to Property; Leases.** The Company has good and sufficient title to their respective properties that individually or in the aggregate are Material, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.5 or purported to have been acquired by the Company after such date (except as sold or otherwise disposed of in the ordinary course of business), in each case free and clear of Liens prohibited by this Agreement, except for those defects in title and Liens that, individually or in the aggregate, would not have a Material Adverse Effect. All Material leases are valid and subsisting and are in full force and effect in all material respects. No Subsidiary owns or leases any properties that, individually, or in the aggregate, are Material.

**Section 5.11. Licenses, Permits, Etc.** (a) The Company and its Subsidiaries own or possess all licenses, permits, franchises, authorizations, patents, copyrights, proprietary software, service marks, trademarks and trade names, or rights thereto, that individually or in the aggregate are Material, without known conflict with the rights of others.

(b) To the best knowledge of the Company, no product or service of the Company or any of its Subsidiaries infringes in any material respect any license, permit, franchise, authorization, patent, copyright, proprietary software, service mark, trademark, trade name or other right owned by any other Person.

(c) To the best knowledge of the Company, there is no Material violation by any Person of any right of the Company or any of its Subsidiaries with respect to any license, permit, franchise, authorization, patent, copyright, proprietary software, service mark, trademark, trade name or other right owned or used by the Company or any of its Subsidiaries.

**Section 5.12. Compliance with ERISA.** (a) The Company and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Neither the Company - nor any ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or

excise tax provisions of the Code relating to employee benefit plans (as defined in section 3 of ERISA), and no event, transaction or condition has occurred or exists that could, individually or in the aggregate, reasonably be expected to result in the incurrence of any such liability by the Company or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to section 430(k) of the Code or to any such penalty or excise tax provisions under the Code or federal law or section 4068 of ERISA or by the granting of a security interest in connection with the amendment of a Plan, other than such liabilities or Liens as would not be individually or in the aggregate Material.

(b) The present value of the aggregate benefit liabilities under each of the Plans (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not materially exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities. The term "**benefit liabilities**" has the meaning specified in section 4001 of ERISA and the terms "**current value**" and "**present value**" have the meaning specified in section 3 of ERISA.

(c) The Company and its ERISA Affiliates have not incurred withdrawal liabilities (and are not subject to contingent withdrawal liabilities) under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate are Material.

(d) The expected postretirement benefit obligation (determined as of the last day of the Company's most recently ended fiscal year in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 715-60, without regard to liabilities attributable to continuation coverage mandated by section 4980B of the Code) of the Company and its Subsidiaries is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Notes hereunder will not involve any transaction that is subject to the prohibitions of section 406 of ERISA or in connection with which a tax could be imposed pursuant to section 4975(c)(1)(A)-(D) of the Code. The representation by the Company to each Purchaser in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of such Purchaser's representation in Section 6.2 as to the sources of the funds to be used to pay the purchase price of the Notes to be purchased by such Purchaser.

**Section 5.13. Private Offering by the Company.** Neither the Company nor anyone acting on its behalf has offered the Notes or any similar Securities for sale to, or solicited any offer to buy the Notes or any similar Securities from, or otherwise approached or negotiated in respect thereof with, any Person other than the Purchasers, each of which has been offered the Notes at a private sale for investment. Neither the Company nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of section 5 of the Securities Act or to the registration requirements of any Securities or blue sky laws of any applicable jurisdiction.

**Section 5.14. Use of Proceeds; Margin Regulations.** The Company intends to apply the proceeds of the sale of the Notes hereunder to repay short-term indebtedness and for general corporate purposes. No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any Securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 5% of the value of the consolidated assets of the Company and its Subsidiaries and the Company does not have any present intention that margin stock will constitute more than 5% of the value of such assets. As used in this Section, the terms “margin stock” and “purpose of buying or carrying” shall have the meanings assigned to them in said Regulation U.

**Section 5.15. Existing Indebtedness; Future Liens.** (a) Except as described therein, Schedule 5.15 sets forth a complete and correct list of all outstanding Indebtedness of the Company and its Subsidiaries as of December 31, 2018 (including descriptions of the obligors and obligees, principal amounts outstanding, any collateral therefor and any Guaranties thereof), since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Indebtedness of the Company or its Subsidiaries. Neither the Company nor any Subsidiary is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Company or such Subsidiary and no event or condition exists with respect to any Indebtedness of the Company or any Subsidiary that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment. No Subsidiary is a guarantor or borrower or otherwise obligated in respect of any Material Credit Facility.

(b) Except as disclosed in Schedule 5.15, neither the Company nor any Subsidiary has agreed or consented to cause or permit any of its property, whether now owned or hereafter acquired, to be subject to a Lien that secures Indebtedness or to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien that secures Indebtedness.

(c) Neither the Company nor any Subsidiary is a party to, or otherwise subject to any provision contained in, any instrument evidencing Indebtedness of the Company or such Subsidiary, any agreement relating thereto or any other agreement (including, but not limited to, its charter or any other organizational document) which limits the amount of, or otherwise imposes restrictions on the incurring of, Indebtedness of the Company, except as disclosed in Schedule 5.15.

**Section 5.16. Foreign Assets Control Regulations, Etc.** (a) Neither the Company nor any Controlled Entity (i) is a Blocked Person, (ii) has been notified that its name appears or may in the future appear on a State Sanctions List or (iii) is a target of sanctions that have been imposed by the United Nations or the European Union.

(b) Neither the Company nor any Controlled Entity (i) has violated, been found in violation of, or been charged or convicted under, any applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws or (ii) to the Company's knowledge, is under investigation by any Governmental Authority for possible violation of any U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws.

(c) No part of the proceeds from the sale of the Notes hereunder:

(i) constitutes or will constitute funds obtained on behalf of any Blocked Person or will otherwise be used by the Company or any Controlled Entity, directly or indirectly, (A) in connection with any investment in, or any transactions or dealings with, any Blocked Person, (B) for any purpose that would cause any Purchaser to be in violation of any U.S. Economic Sanctions Laws or (C) otherwise in violation of any U.S. Economic Sanctions Laws;

(ii) will be used, directly or indirectly, in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Money Laundering Laws; or

(iii) will be used, directly or indirectly, for the purpose of making any improper payments, including bribes, to any Governmental Official or commercial counterparty in order to obtain, retain or direct business or obtain any improper advantage, in each case which would be in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Corruption Laws.

(d) The Company has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Company and each Controlled Entity is and will continue to be in compliance with all applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws and Anti-Corruption Laws.

**Section 5.17. Status under Certain Statutes.** Neither the Company nor any Subsidiary is subject to regulation under the Investment Company Act of 1940, as amended or the ICC Termination Act of 1995, as amended. The Company is subject to regulation under the Public Utility Holding Company Act of 2005, as amended, and the Federal Power Act, as amended.

**Section 5.18. Environmental Matters.** (a) The Company has no knowledge of any claim or has received any notice of any claim and no proceeding has been instituted asserting any claim against the Company or any of its Subsidiaries or any of their respective real properties or other assets now or formerly owned, leased or operated by any of them, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(b) The Company has no knowledge of any facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any of them or to other assets or their use, except, in each case, such as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(c) The Company has not stored any Hazardous Materials on real properties now or formerly owned, leased or operated by any of them in a manner which is contrary to any Environmental Law that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(d) The Company has not disposed of any Hazardous Materials in a manner which is contrary to any Environmental Law that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(e) All buildings on all real properties now owned, leased or operated by the Company are in compliance with applicable Environmental Laws, except where failure to comply could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

## **SECTION 6. REPRESENTATIONS OF THE PURCHASERS.**

**Section 6.1. Purchase for Investment.** Each Purchaser severally represents that it is purchasing the Notes for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to the distribution thereof, *provided* that the disposition of such Purchaser's or their property shall at all times be within such Purchaser's or their control. Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Company is not required to register the Notes.

**Section 6.2. Source of Funds.** Each Purchaser severally represents that at least one of the following statements is an accurate representation as to each source of funds (a "**Source**") to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" (as the term is defined in the United States Department of Labor's Prohibited Transaction Exemption ("**PTE**") 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the NAIC (the "**NAIC Annual Statement**")) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) plus surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is a separate account that is maintained solely in connection with such Purchaser's fixed contractual obligations under which the amounts payable, or credited, to any employee benefit plan (or its related trust) that has any interest in such

separate account (or to any participant or beneficiary of such plan (including any annuitant)) are not affected in any manner by the investment performance of the separate account; or

(c) the Source is either (i) an insurance company pooled separate account, within the meaning of PTE 90-1 or (ii) a bank collective investment fund, within the meaning of the PTE 91-38 and, except as disclosed by such Purchaser to the Company in writing pursuant to this clause (c), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund; or

(d) the Source constitutes assets of an “investment fund” (within the meaning of Part VI of PTE 84-14 (the “**QPAM Exemption**”)) managed by a “qualified professional asset manager” or “QPAM” (within the meaning of Part VI of the QPAM Exemption), no employee benefit plan’s assets that are managed by the QPAM in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, represent more than 20% of the total client assets managed by such QPAM, the conditions of Part I(c) and (g) of the QPAM Exemption are satisfied, neither the QPAM nor a person controlling or controlled by the QPAM maintains an ownership interest in the Company that would cause the QPAM and the Company to be “related” within the meaning of Part VI(h) of the QPAM Exemption and (i) the identity of such QPAM and (ii) the names of any employee benefit plans whose assets in the investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Part VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization, represent 10% or more of the assets of such investment fund, have been disclosed to the Company in writing pursuant to this clause (d); or

(e) the Source constitutes assets of a “plan(s)” (within the meaning of Part IV(h) of PTE 96-23 (the “**INHAM Exemption**”)) managed by an “in-house asset manager” or “INHAM” (within the meaning of Part IV(a) of the INHAM Exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a person controlling or controlled by the INHAM (applying the definition of “control” in Part IV(d)(3) of the INHAM Exemption) owns a 10% or more interest in the Company and (i) the identity of such INHAM and (ii) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Company in writing pursuant to this clause (e); or

(f) the Source is a governmental plan; or

(g) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Company in writing pursuant to this clause (g); or

(h) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms “**employee benefit plan**,” “**governmental plan**,” and “**separate account**” shall have the respective meanings assigned to such terms in section 3 of ERISA.

## SECTION 7. INFORMATION AS TO COMPANY.

**Section 7.1. Financial and Business Information.** The Company shall deliver to each Purchaser and each holder of a Note that is an Institutional Investor:

(a) (1) *Evergy Quarterly Statements* — within 60 days (or such shorter period as is the earlier of (x) 15 days greater than the period applicable to the filing of Evergy’s Quarterly Report on Form 10-Q (the “**Form 10-Q**”) with the SEC regardless of whether Evergy is subject to the filing requirements thereof and (y) the date by which such financial statements are required to be delivered under any Material Credit Facility or the date on which such corresponding financial statements are delivered under any Material Credit Facility if such delivery occurs earlier than such required delivery date) after the end of each quarterly fiscal period in each fiscal year of Evergy (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of,

(i) a consolidated balance sheet of Evergy and its Subsidiaries as at the end of such quarter, and

(ii) consolidated statements of income, changes in shareholders’ equity and cash flows of Evergy and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments, *provided* that delivery within the time period specified above of copies of Evergy’s Form 10-Q prepared in compliance with the requirements therefor and filed with the SEC shall be deemed to satisfy the requirements of this Section 7.1(a) with respect to the applicable entity;

(a) (2) *Company Quarterly Statements* — concurrently with the delivery of the Evergy Quarterly Statements described in (a)(1),

(i) a consolidated balance sheet of the Company as at the end of such quarter, and

(ii) consolidated statements of comprehensive income, changes in common shareholder's equity and cash flows of the Company for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the Company and its results of operations and cash flows, subject to changes resulting from year-end adjustments,

(b) (1) *Evergy Annual Statements* — within 105 days (or such shorter period as is the earlier of (x) 15 days greater than the period applicable to the filing of Evergy's Annual Report on Form 10-K (the "**Form 10-K**") with the SEC regardless of whether Evergy is subject to the filing requirements thereof and (y) the date by which such financial statements are required to be delivered under any Material Credit Facility or the date on which such corresponding financial statements are delivered under any Material Credit Facility if such delivery occurs earlier than such required delivery date) after the end of each fiscal year of Evergy duplicate copies of,

(i) a consolidated balance sheet of Evergy and its Subsidiaries as at the end of such year,  
and

(ii) consolidated statements of income, changes in shareholders' equity and cash flows of Evergy and its Subsidiaries for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances, *provided* that the delivery within the time period specified above of Evergy's Form 10-K for such fiscal year (together with Evergy's annual report to shareholders, if any, prepared pursuant to Rule 14a-3 under the Securities Exchange Act of 1934) prepared in accordance with the requirements therefor and filed with the SEC, shall be deemed to satisfy the requirements of this Section 7.1(b) with respect to the applicable entity;

(b) (2) *Company Annual Statements* — concurrently with the delivery of the Evergy Annual Statements described in paragraph (b)(1),

(i) a consolidated balance sheet of the Company as at the end of such year, and

(ii) consolidated statements of comprehensive income, changes in common shareholder's equity and cash flows of the Company for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the Company and its results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances,

(c) *SEC and Other Reports* — promptly upon their becoming available, one copy of (i) each financial statement, report, notice or proxy statement sent by Evergy, the Company or any Subsidiary to its principal lending banks as a whole (excluding information sent to such banks in the ordinary course of administration of a bank facility, such as information relating to pricing and borrowing availability) or to its public Securities holders generally, and (ii) each regular or periodic report, each registration statement (without exhibits except as expressly requested by such Purchaser or holder), and each prospectus and all amendments thereto filed by Evergy, the Company or any Subsidiary with the SEC and of all press releases and other statements made available generally by Evergy, the Company or any Subsidiary to the public concerning developments that are Material;

(d) *Notice of Default or Event of Default* — promptly, and in any event within five days after a Responsible Officer becoming aware of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given any notice or taken any action with respect to a claimed default of the type referred to in Section 11(f), a written notice specifying the nature and period of existence thereof and what action the Company is taking or proposes to take with respect thereto;

(e) *ERISA Matters* — promptly, and in any event within ten days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Company or an ERISA Affiliate proposes to take with respect thereto:

(i) with respect to any Plan, any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(ii) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(iii) any event, transaction or condition that could result in the incurrence of any liability by the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or Lien, taken together with any other such liabilities or Liens then existing, could reasonably be expected to have a Material Adverse Effect;

(f) *Notices from Governmental Authority* — promptly, and in any event within 30 days of receipt thereof, copies of any notice to the Company or any Subsidiary from any federal or state Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect;

(g) *Resignation or Replacement of Auditors* — within ten days following the date on which the Company's auditors resign or the Company elects to change auditors, as the case may be, notification thereof, together with such supporting information as the Required Holders may request; and

(h) *Requested Information* — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Company or any of its Subsidiaries (including, but without limitation, actual copies of Everygy's Form 10-Q and Form 10-K) or relating to the ability of the Company to perform its obligations hereunder and under the Notes as from time to time may be reasonably requested by any such holder of a Note.

**Section 7.2. Officer's Certificate.** Each set of financial statements delivered to a Purchaser or holder of a Note pursuant to Section 7.1(a) or Section 7.1(b) shall be accompanied by a certificate of a Senior Financial Officer:

(a) *Covenant Compliance* — setting forth the information from such financial statements that is required in order to establish whether the Company was in compliance with the requirements of Section 10 during the quarterly or annual period covered by the statements then being furnished, (including with respect to each such provision that involves mathematical calculations, the information from such financial statements that is required to perform such calculations) and detailed calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Section, and the calculation of the amount, ratio or percentage then in existence. In the event that the Company or any Subsidiary has made an election to measure any financial liability

using fair value (which election is being disregarded for purposes of determining compliance with this Agreement pursuant to Section 22.2) as to the period covered by any such financial statement, such Senior Financial Officer's certificate as to such period shall include a reconciliation from GAAP with respect to such election; and

(b) *Event of Default* — certifying that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Company and its Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including, without limitation, any such event or condition resulting from the failure of the Company or any Subsidiary to comply with any Environmental Law), specifying the nature and period of existence thereof and what action the Company shall have taken or proposes to take with respect thereto; and

(c) *Subsidiary Guarantors* – if applicable, setting forth a list of all Subsidiaries that are Subsidiary Guarantors and certifying that each Subsidiary that is required to be a Subsidiary Guarantor pursuant to Section 9.7 is a Subsidiary Guarantor, in each case, as of the date of such certificate of Senior Financial Officer.

**Section 7.3. Visitation.** The Company shall permit the representatives of each Purchaser and holder of a Note that is an Institutional Investor:

(a) *No Default* — if no Default or Event of Default then exists, at the expense of such Purchaser or holder and upon reasonable prior notice to the Company, to visit the principal executive office of the Company, to discuss the affairs, finances and accounts of the Company and its Subsidiaries with the Company's officers, and (with the consent of the Company, which consent will not be unreasonably withheld) its independent public accountants, and (with the consent of the Company, which consent will not be unreasonably withheld) to visit the other offices and properties of the Company and each Subsidiary, all at such reasonable times and as often as may be reasonably requested in writing; and

(b) *Default* — if a Default or Event of Default then exists, at the reasonable expense of the Company to visit and inspect any of the offices or properties of the Company or any Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision the Company authorizes said accountants to discuss the affairs, finances and accounts of the Company and its Subsidiaries), all at such times and as often as may be reasonably requested.

**Section 7.4. Electronic Delivery.** Financial statements, opinions of independent certified public accountants, other information and Officer's Certificates that are required to be delivered by the Company pursuant to Section 7.1(a), (b) or (c) and Section 7.2 shall be deemed

to have been delivered if the Company satisfies any of the following requirements with respect to a referenced section:

(i) such financial statements satisfying the requirements of Section 7.1(a) or (b) and related Officer's Certificate satisfying the requirements of Section 7.2 are delivered to each Purchaser or holder of a Note by e-mail;

(ii) Evergy shall have timely filed such Form 10-Q or Form 10-K, satisfying the requirements of Section 7.1(a) or Section 7.1(b), as the case may be, with the SEC on "EDGAR" or any successive filing system and shall have made such form and the related Officer's Certificate satisfying the requirements of Section 7.2 available on the Investor Relations tab of its home page on the internet, which is located at <http://www.evergyinc.com> as of the date of this Agreement;

(iii) such financial statements satisfying the requirements of Section 7.1(a) or Section 7.1(b) and related Officer's Certificate(s) satisfying the requirements of Section 7.2 are timely posted by or on behalf of the Company on IntraLinks or on any other similar website to which each Purchaser or holder of Notes has free access; or

(iv) Evergy shall have filed any of the items referred to in Section 7.1(c) with the SEC on "EDGAR" or any successive filing system and shall have made such items available on its home page on the internet or on IntraLinks or on any other similar website to which each holder of Notes has free access;

*provided however*, that in the case of any of clauses (ii), (iii) or (iv), the Company shall have given each holder of a Note prior written notice, which may be by e-mail or in accordance with Section 18, of such posting or filing in connection with each delivery, *provided further*, that upon request of any holder to receive paper copies of such forms, financial statements and Officer's Certificates or to receive them by e-mail, the Company will promptly e-mail them or deliver such paper copies, as the case may be, to such holder.

## **SECTION 8. PAYMENT AND PREPAYMENT OF THE NOTES.**

**Section 8.1. Maturity.** As provided therein, the entire unpaid principal balance of each Note shall be due and payable on the Maturity Date thereof.

**Section 8.2. Optional Prepayments with Make-Whole Amount.** The Company may, at its option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes, in an amount not less than 10% of the aggregate principal amount of the Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, and the Make-Whole Amount determined for the prepayment date with respect to such principal amount. The Company will give each holder of Notes written notice of each optional prepayment under this Section 8.2 not less than ten days and not more than 60 days prior to the date fixed for such prepayment unless the Company and the Required Holders agree to another time period pursuant to Section 17. Each such notice shall specify such date (which shall be a Business Day), the aggregate principal amount of the Notes to be prepaid on such date, the principal amount of

each Note held by such holder to be prepaid (determined in accordance with Section 8.3), and the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and shall be accompanied by a certificate of a Senior Financial Officer as to the estimated Make-Whole Amount due in connection with such prepayment (calculated as if the date of such notice were the date of the prepayment), setting forth the details of such computation. Two Business Days prior to such prepayment, the Company shall deliver to each holder of Notes a certificate of a Senior Financial Officer (i) specifying the calculation of such Make-Whole Amount as of the specified prepayment date and (ii) certifying that no Default or Event of Default then exists.

**Section 8.3. Allocation of Partial Prepayments.** In the case of each partial prepayment of the Notes pursuant to Section 8.2, the principal amount of the Notes to be prepaid shall be allocated among all of the Notes at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment.

**Section 8.4. Maturity; Surrender, Etc.** In the case of each optional prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and payable on the date fixed for such prepayment, together with interest on such principal amount accrued to such date and the applicable Make-Whole Amount, if any. From and after such date, unless the Company shall fail to pay such principal amount when so due and payable, together with the interest and Make-Whole Amount, if any, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be surrendered to the Company and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

**Section 8.5. Purchase of Notes.** The Company will not and will not permit any Affiliate to purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except (a) upon the payment or prepayment of the Notes in accordance with the terms of this Agreement or (b) pursuant to an offer to purchase made by the Company or an Affiliate pro rata to the holders of all Notes at the time outstanding upon the same terms and conditions. Any such offer shall provide each holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 15 Business Days. The Company will promptly cancel all Notes acquired by it or any Affiliate pursuant to any payment, prepayment or purchase of Notes pursuant to any provision of this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

**Section 8.6. Make-Whole Amount.**

“**Make-Whole Amount**” means, with respect to any Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Note over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

**“Called Principal”** means, with respect to any Note, the principal of such Note that is to be prepaid pursuant to Section 8.2 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

**“Discounted Value”** means, with respect to the Called Principal of any Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on such Note is payable) equal to the Reinvestment Yield with respect to such Called Principal.

**“Reinvestment Yield”** means, with respect to the Called Principal of any Note, .50% over the yield to maturity implied by the yield(s) reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as “Page PX1” (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities (**“Reported”**) having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between the yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Remaining Average Life and (2) closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Note.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then **“Reinvestment Yield”** means, with respect to the Called Principal of any Note, .50% over the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (1) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (2) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Note.

**“Remaining Average Life”** means, with respect to any Called Principal, the number of years obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the

Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

**“Remaining Scheduled Payments”** means, with respect to the Called Principal of any Note, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under such Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to Section 8.4 or Section 12.1.

**“Settlement Date”** means, with respect to the Called Principal of any Note, the date on which such Called Principal is to be prepaid pursuant to Section 8.2 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

**Section 8.7. Payments Due on Non-Business Days.** Anything in this Agreement or the Notes to the contrary notwithstanding (but without limiting the requirement in Section 8.4 that the notice of any optional prepayment specify a Business Day as the date fixed for such prepayment), (x) subject to clause (y), any payment of interest on any Note that is due on a date that is not a Business Day shall be made on the next succeeding Business Day without including the additional days elapsed in the computation of the interest payable on such next succeeding Business Day; and (y) any payment of principal of or Make-Whole Amount on any Note (including principal due on the Maturity Date of such Note) that is due on a date that is not a Business Day shall be made on the next succeeding Business Day and shall include the additional days elapsed in the computation of interest payable on such next succeeding Business Day.

**Section 8.8. Change of Control.**

(a) *Notice of Change of Control.* The Company will, within five Business Days after the occurrence of a Change of Control, give written notice of such Change of Control to each holder of Notes. Such notice shall contain and constitute an offer to prepay Notes as described in subparagraph (b) of this Section 8.8 and shall be accompanied by the certificate described in subparagraph (e) of this Section 8.8.

(b) *Offer to Prepay Notes.* The offer to prepay Notes contemplated by subparagraph (a) of this Section 8.8 shall be an offer to prepay, in accordance with and subject to this Section 8.8, all, but not less than all, the Notes held by each holder (in this case only, “holder” in respect of any Note registered in the name of a nominee for a disclosed beneficial owner shall mean such beneficial owner) on a date specified in such offer (the **“Proposed Prepayment Date”**) that is not less than 30 days after the date of such offer and not more than 60 days after the date of the occurrence of a Change of Control.

(c) *Acceptance.* A holder of Notes may accept the offer to prepay all but not less than all of the Notes made pursuant to this Section 8.8 by causing a notice of such acceptance to be delivered to the Company no later than 15 days after such holder’s receipt of such offer. A failure by a holder

of Notes to respond to an offer to prepay made pursuant to this Section 8.8 shall be deemed to constitute a rejection of such offer by such holder.

(d) *Prepayment Price.* Prepayment of the Notes to be prepaid pursuant to this Section 8.8 shall be at 100% of the principal amount of such Notes, together, in all cases, with interest on such Notes accrued to the Proposed Prepayment Date. The prepayment shall be made on the Proposed Prepayment Date. No prepayment under this Section 8.8 shall include any premium or Make-Whole Amount of any kind.

(e) *Officer's Certificate.* Each offer to prepay the Notes pursuant to this Section 8.8 shall be accompanied by a certificate, executed by a Senior Financial Officer of the Company and dated the date of such offer, specifying: (i) the Proposed Prepayment Date; (ii) that such offer is made pursuant to this Section 8.8; (iii) the principal amount of each Note offered to be prepaid (which shall be the entire principal amount thereof); (iv) the interest that would be due on each Note offered to be prepaid, accrued to the Proposed Prepayment Date; (v) that the conditions of this Section 8.8 have been fulfilled; and (vi) in reasonable detail, the nature and date of the Change of Control.

## **SECTION 9. AFFIRMATIVE COVENANTS.**

From the date of this Agreement until the Closing and thereafter, so long as any of the Notes are outstanding, the Company covenants that:

**Section 9.1. Compliance with Laws.** Without limiting Section 10.4, the Company will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations, including the filing of the FERC Report, to which each of them is subject, including, without limitation, ERISA, Environmental Laws, the USA PATRIOT Act and the other laws and regulations that are referred to in Section 5.16, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 9.2. Insurance.** The Company will, and will cause each of its Significant Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated.

**Section 9.3. Maintenance of Properties.** The Company will, and will cause each of its Significant Subsidiaries to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, *provided* that this Section shall not prevent the Company or any Significant Subsidiary from

discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and the Company has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 9.4. Payment of Taxes and Claims.** The Company will, and will cause each of its Significant Subsidiaries to, file all tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges, or levies imposed on them or any of their properties, assets, income or franchises, to the extent the same have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of the Company or any Subsidiary, *provided* that neither the Company nor any Subsidiary need pay any such tax, assessment, charge, levy or claim if (i) the amount, applicability or validity thereof is contested by the Company or such Subsidiary on a timely basis in good faith and in appropriate proceedings, and the Company or a Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of the Company or such Subsidiary or (ii) the nonpayment of all such taxes, assessments, charges, levies and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 9.5. Corporate Existence, Etc.** Subject to Section 10.2, the Company will at all times preserve and keep its corporate existence in full force and effect. Subject to Section 10.2 the Company will at all times preserve and keep in full force and effect the corporate existence of each of its Significant Subsidiaries (unless merged into the Company or a Wholly-Owned Subsidiary) and all rights and franchises of the Company and its Significant Subsidiaries unless, in the good faith judgment of the Company, the termination of or failure to preserve and keep in full force and effect such corporate existence, right or franchise could not, individually or in the aggregate, have a Material Adverse Effect.

**Section 9.6. Books and Records.** The Company will, and will cause each of its Subsidiaries to, maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Company or such Subsidiary, as the case may be. The Company will, and will cause each of its Subsidiaries to, keep books, records and accounts which, in reasonable detail, accurately reflect all transactions and dispositions of assets. The Company and its Subsidiaries have devised a system of internal accounting controls sufficient to provide reasonable assurances that their respective books, records, and accounts accurately reflect all transactions and dispositions of assets and the Company will, and will cause each of its Subsidiaries to, continue to maintain such system.

**Section 9.7. Subsidiary Guarantors.** The Company will cause each of its Subsidiaries that guarantees or otherwise becomes liable at any time, whether as a borrower or an additional or co-borrower or otherwise, for or in respect of any Indebtedness under any Material Credit Facility to concurrently therewith:

(a) enter into an agreement in form and substance satisfactory to the Required Holders providing for the guaranty by such Subsidiary, on a joint and several basis with all other such

Subsidiaries, of (i) the prompt payment in full when due of all amounts payable by the Company pursuant to the Notes (whether for principal, interest, Make-Whole Amount or otherwise) and this Agreement, including, without limitation, all indemnities, fees and expenses payable by the Company thereunder and (ii) the prompt, full and faithful performance, observance and discharge by the Company of each and every covenant, agreement, undertaking and provision required pursuant to the Notes or this Agreement to be performed, observed or discharged by it (a “**Subsidiary Guaranty**”); and

(b) deliver the following to each holder of a Note:

(i) an executed counterpart of such Subsidiary Guaranty;

(ii) a certificate signed by an authorized responsible officer of such Subsidiary containing representations and warranties on behalf of such Subsidiary to the same effect, *mutatis mutandis*, as those contained in Sections 5.1, 5.2, 5.6 and 5.7 of this Agreement (but with respect to such Subsidiary and such Subsidiary Guaranty rather than the Company);

(iii) all documents as may be reasonably requested by the Required Holders to evidence the due organization, continuing existence and good standing of such Subsidiary and the due authorization by all requisite action on the part of such Subsidiary of the execution and delivery of such Subsidiary Guaranty and the performance by such Subsidiary of its obligations thereunder; and

(iv) an opinion of counsel reasonably satisfactory to the Required Holders covering such matters relating to such Subsidiary and such Subsidiary Guaranty as the Required Holders may reasonably request.

**Section 9.8. Parent Note Guaranty.** (a) In the event Evergy becomes a guarantor of, or otherwise jointly and severally liable for, Indebtedness of the Company in respect of any Material Credit Facility on or at any time after the date of Closing, the Company will cause Evergy to concurrently therewith:

(i) enter into the Parent Note Guaranty;

(ii) deliver the following to each holder of a Note:

(x) an executed counterpart of the Parent Note Guaranty;

(y) all documents as may be reasonably requested by the Required Holders to evidence the due organization, continuing existence and good standing of Evergy and the due authorization by all requisite action on the part of Evergy of the execution and delivery of the Parent Note Guaranty and the performance by Evergy of its obligations thereunder; and

(z) an opinion of counsel reasonably satisfactory to the Required Holders covering such matters relating to the Parent Note Guaranty as the Required Holders may reasonably request.

(b) After the Parent Note Guaranty becomes operative pursuant to Section 9.8(a) herein, the obligation of Evergy to make payment on the Notes (whether for principal, interest, Make-Whole Amount or otherwise) or perform any obligation hereunder, shall be deemed to be discharged (except as noted in clauses (i) and (ii) in this Section 9.8(b) below) and the Parent Note Guaranty shall no longer be in effect in the event that Evergy ceases to be a guarantor of, or jointly and severally liable for, Indebtedness of the Company in respect of each Material Credit Facility. In such an event, at any time after the execution and delivery of the Parent Note Guaranty pursuant to Section 9.8(a), the Parent Note Guaranty shall immediately be terminated and released except (i) Evergy shall remain liable for all obligations under the Parent Note Guaranty which arose prior to such termination and release and (ii) in the event Evergy or any Affiliate of Evergy pays any consideration for such release and termination, an equivalent amount shall be paid to the holders of the Notes.

In the event that the Company fails to comply with any provision of Section 9 on or after the date of this Agreement and prior to the Closing, then any of the Purchasers may elect not to purchase the Notes on the date of Closing that is specified in Section 3. In no event shall such a failure on or after the date of this Agreement and prior to the Closing constitute a Default or an Event of Default.

## **SECTION 10. NEGATIVE COVENANTS.**

From the date of this Agreement until the Closing and thereafter, so long as any of the Notes are outstanding, the Company covenants that:

**Section 10.1. Transactions with Affiliates.** The Company will not and will not permit any Subsidiary to enter into directly or indirectly any transaction or group of related transactions (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than the Company or another Subsidiary), except in the ordinary course and pursuant to the reasonable requirements of the Company's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Company or such Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate.

**Section 10.2. Merger, Consolidation, Etc.** The Company will not consolidate with or merge with any other Person or convey, transfer or lease all or substantially all of its assets in a single transaction or series of transactions to any Person unless:

(a) the successor formed by such consolidation or the survivor of such merger or the Person that acquires by conveyance, transfer or lease all or substantially all of the assets of the Company as an entirety, as the case may be, shall be a solvent corporation or limited liability company organized and existing under the laws of the United States or any state thereof (including the District of Columbia), and, if the Company is not such

corporation or limited liability company, (i) such corporation or limited liability company shall have executed and delivered to each holder of any Notes its assumption of the due and punctual performance and observance of each covenant and condition of this Agreement and the Notes and (ii) such corporation or limited liability company shall have caused to be delivered to each holder of any Notes an opinion of nationally recognized independent counsel, or other independent counsel reasonably satisfactory to the Required Holders, to the effect that all agreements or instruments effecting such assumption are enforceable in accordance with their terms and comply with the terms hereof;

(b) each Subsidiary Guarantor under any Subsidiary Guaranty that is outstanding and, during the Parent Guaranty Period, Every under the Parent Note Guaranty that is outstanding at the time such transaction or each transaction in such a series of transactions occurs reaffirms their respective obligations under such Subsidiary Guaranty or Parent Note Guaranty, as applicable, in writing at such time pursuant to documentation that is reasonably acceptable to the Required Holders; and

(c) immediately before and immediately after giving effect to such transaction or each transaction in any such series of transactions, no Default or Event of Default shall have occurred and be continuing.

No such conveyance, transfer or lease of substantially all of the assets of the Company shall have the effect of releasing the Company or any successor corporation or limited liability company that shall theretofore have become such in the manner prescribed in this Section 10.2 from its liability under this Agreement or the Notes.

**Section 10.3. Line of Business.** The Company will not and will not permit any Subsidiary to engage in any business if, as a result, the general nature of the business in which the Company and its Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the general nature of the business in which the Company and its Subsidiaries, taken as a whole, are engaged on the date of this Agreement.

**Section 10.4. Economic Sanctions, Etc.** The Company will not, and will not permit any Controlled Entity to (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (i) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (ii) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

**Section 10.5. Liens.** The Company will not and will not permit any of its Significant Subsidiaries (other than any Project Finance Subsidiary) to directly or indirectly create, incur, assume or permit to exist (upon the happening of a contingency or otherwise) any Lien on or with respect to any property or asset (including, without limitation, any document or instrument in respect of goods or accounts receivable) of the Company or any such Significant Subsidiary,

whether now owned or held or hereafter acquired, or any income or profits therefrom, or assign or otherwise convey any right to receive income or profits, except:

(a) Liens for taxes, assessments or governmental charges or levies on its property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books.

(b) Liens imposed by law, such as carriers', warehousemen's, mechanics' and landlords' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than sixty (60) days past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves shall have been set aside on its books.

(c) Liens arising out of pledges or deposits in the ordinary course of business under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation, other than any Lien imposed under ERISA.

(d) Liens incidental to the normal conduct of the Company or any of its Significant Subsidiaries or the ownership or leasing of its property or the conduct of the ordinary course of its business, including (i) zoning restrictions, easements, building restrictions, rights of way, reservations, restrictions on the use of real property and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which are not substantial in amount and do not in any material way affect the marketability of the same, (ii) rights of lessees and lessors under leases, (iii) rights of collecting banks having rights of setoff, revocation, refund or chargeback with respect to money or instruments of the Company, or any of its Significant Subsidiaries on deposit with or in the possession of such banks, (iv) Liens or deposits to secure the performance of statutory obligations, tenders, bids, contracts, leases, progress payments, performance or return-of-money bonds, surety and appeal bonds, performance or other similar bonds, letters of credit, or other obligations of a similar nature incurred in the ordinary course of business, (v) Liens required by any contract or statute in order to permit the Company or any of its Significant Subsidiaries to perform any contract or subcontract made by it with or pursuant to the requirements of a governmental entity, in each case which are not incurred in connection with the borrowing of money, the obtaining of advances of credit or the payment of the deferred purchase price of property and which do not in the aggregate impair the use of property in the operation of the business of the Company or any of its Significant Subsidiaries taken as a whole and (vi) rights reserved to or vested in any Governmental Authority by the terms of any right, power, franchise, grant, license or permit, or by any laws, to terminate such right, power, franchise, license or permit or to purchase, condemn, expropriate or recapture or to designate a purchaser of any of the property of the Company or any of its Significant Subsidiaries.

(e) Liens on property of the Company existing on the date hereof and described on Schedule 10.5 and any renewal or extension thereof; *provided* that (i) the property

covered thereby is not increased and any renewal or extension of the obligations secured or benefited thereby is permitted by this Agreement and, (ii) the amount secured by any such Lien at such time is not increased to any amount greater than the amount outstanding at the time of such renewal or extension.

(f) Judgment Liens which secure payment of legal obligations that would not constitute a Default under Section 11(i).

(g) Liens on property acquired by the Company or a Significant Subsidiary of the Company after the date hereof, existing on such property at the time of acquisition thereof (and not created in anticipation thereof); *provided* that in any such case no such Lien shall extend to or cover any other property of the Company or such Significant Subsidiary, as the case may be.

(h) Liens on the property, revenues and/or assets of any Person that exist at the time such Person becomes a Significant Subsidiary and the continuation of such Liens in connection with any refinancing or restructuring of the obligations secured by such Liens.

(i) Liens on property securing Indebtedness incurred or assumed at the time of, or within twelve (12) months after, the acquisition of such property for the purpose of financing all or any part of the cost of acquiring such property; *provided* that (i) such Lien attaches to such property concurrently with or within twelve (12) months after the acquisition thereof, (ii) such Lien attaches solely to the property so acquired in such transaction and (iii) the principal amount of the Indebtedness secured thereby does not exceed the cost or fair market value determined at the date of incurrence, whichever is lower, of the property being acquired on the date of acquisition.

(j) Liens on any improvements to property securing Indebtedness incurred to provide funds for all or part of the cost of such improvements in a principal amount not exceeding the cost of construction of such improvements and incurred within twelve (12) months after completion of such improvements or construction, *provided* that such Liens do not extend to or cover any property of the Company or any Significant Subsidiary other than such improvements.

(k) Liens to government entities granted to secure pollution control or industrial revenue bond financings, which Liens in each financing transaction cover only property the acquisition or construction of which was financed by such financings and property related thereto.

(l) Liens on or over gas, oil, coal, fissionable material, or other fuel or fuel products as security for any obligations incurred by such Person (or any special purpose entity formed by such Person) for the sole purpose of financing the acquisition or storage of such fuel or fuel products or, with respect to nuclear fuel, the processing, reprocessing, sorting, storage and disposal thereof.

(m) Liens on (including Liens arising out of the sale of) accounts receivable and/or contracts which will give rise to accounts receivable of the Company.

(n) Liens on property or assets of a Significant Subsidiary securing obligations owing to the Company or any Significant Subsidiary (other than a Project Finance Subsidiary).

(o) Liens on the stock or other equity interests of any Project Finance Subsidiary to secure obligations of such Project Finance Subsidiary (*provided* that the agreement under which any such Lien is created shall expressly state that it is non-recourse to the pledgor).

(p) Liens on property of the Company arising in connection with utility co-ownership, co-operating and similar agreements that are consistent with the Company's utility business and ancillary operations and do not secure Indebtedness.

(q) Liens on assets held by entities which are deemed Subsidiaries solely due to being required to be included in the Company's consolidated financial statements solely as a result of the application of ASC Topic 810, as it may be amended or supplemented.

(r) Liens securing Hedge Agreements permitted to be incurred under this Agreement.

(s) Liens securing any extension, renewal, replacement or refinancing of Indebtedness secured by any Lien referred to in the foregoing clauses (g), (h), (i), (j), (k) and (l); *provided* that (A) such new Lien shall be limited to all or part of the same Property that secured the original Lien (plus improvements on such property) and (B) the amount secured by such Lien at such time is not increased to any amount greater than the amount outstanding at the time of such renewal, replacement or refinancing.

(t) Liens in favor of the Issuers (as defined in the Credit Agreement) or the Swing Line Lender (as defined in the Credit Agreement) on cash collateral securing the obligations of a Defaulting Lender (as defined in the Credit Agreement) to fund risk participations under the Credit Agreement.

(u) Liens on the stock or assets of Subsidiaries created pursuant to "rate reduction" bonds, for the payment of which legislatively authorized charges are imposed on customers.

(v) in the event of a merger or consolidation of the Company and KCPL permitted by Section 10.2, Liens on property of the surviving or continuing Person securing additional Indebtedness pursuant to the KCPL Mortgage Bond Indenture (or, if no longer operative, under the mortgage indenture of such surviving or continuing Person) *provided* that the obligations of the Company hereunder and under the Notes shall concurrently be secured equally and ratably under the KCPL Mortgage Indenture (or, if no longer operative, under the mortgage indenture of such surviving or continuing Person) pursuant to documentation reasonably acceptable to the Required Holders in substance and in form

and opinions of counsel to the Company that are reasonably acceptable to the Required Holders.

(w) Liens which would otherwise not be permitted by clauses (a) through (v) securing additional Indebtedness of the Company or a Subsidiary (other than a Project Finance Subsidiary); *provided* that the Indebtedness secured thereby is permitted by this Agreement including Section 10.6; *provided, further*, that notwithstanding the foregoing, the Company shall not, and shall not permit any of its Subsidiaries to, secure any Indebtedness outstanding under or pursuant to any Material Credit Facility pursuant to this Section 10.5(w) unless and until the Notes (and any guaranty delivered in connection therewith) shall concurrently be secured equally and ratably with such Indebtedness pursuant to documentation reasonably acceptable to the Required Holders in substance and in form, including, without limitation, an intercreditor agreement and opinions of counsel to the Company and/or any such Subsidiary, as the case may be, from counsel that is reasonably acceptable to the Required Holders.

**Section 10.6. Financial Covenants.** (a) The Company shall at all times cause the ratio of (i) Total Indebtedness to (ii) Total Capitalization to be less than or equal to 0.65 to 1.0.

(b) The Company shall not at any time permit Priority Debt to exceed 15% of Consolidated Tangible Net Worth.

**Section 10.7. Restrictions on Subsidiary Dividends.** The Company will not, nor will the Company permit any Significant Subsidiary (other than any Project Finance Subsidiary) to, be a party to any agreement prohibiting or restricting the ability of such Significant Subsidiary to declare or pay dividends to the Company, *provided*, that the foregoing provisions of this Section 10.7 shall not prohibit any Significant Subsidiary from entering into any debt instrument containing a total debt to capitalization covenant.

**Section 10.8. Sale of Assets.** The Company will not, and will not permit any Subsidiary to convey, transfer, lease or otherwise dispose of (whether in one transaction or a series of transactions, but excluding (i) sales of inventory in the ordinary course of business and, (ii) transactions permitted by Section 10.2, in the aggregate within any twelve (12)-month period), assets constituting more than twenty percent (20%) of the aggregate book value of the assets of the Company and its consolidated Subsidiaries as of the end of the most recent fiscal quarter.

In the event that the Company fails to comply with any provision of Section 10 on or after the date of this Agreement and prior to the Closing (before and after giving effect to the issuance of the Notes on a *pro forma* basis), then any of the Purchasers may elect not to purchase the Notes on the date of Closing that is specified in Section 3.

## **SECTION 11. EVENTS OF DEFAULT.**

An “**Event of Default**” shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Company defaults in the payment of any principal or Make-Whole Amount, if any, on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Company defaults in the payment of any interest on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Company defaults in the performance of or compliance with any term contained in Section 7.1(d) or Sections 10.5, 10.6, 10.7 or 10.8; or

(d) the Company or any Subsidiary Guarantor (or Evergy during the Parent Guaranty Period) defaults in the performance of or compliance with any term contained herein (other than those referred to in Sections 11(a), (b) and (c)) or in any Subsidiary Guaranty or Parent Guaranty and such default is not remedied within 30 days after the earlier of (i) a Responsible Officer obtaining actual knowledge of such default and (ii) the Company receiving written notice of such default from any holder of a Note (any such written notice to be identified as a “notice of default” and to refer specifically to this Section 11(d)); or

(e) (i) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in this Agreement or any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any material respect on the date as of which made, or (ii) any representation or warranty made in writing by or on behalf of any Subsidiary Guarantor or by any officer of such Subsidiary Guarantor in any Subsidiary Guaranty or any writing furnished in connection with such Subsidiary Guaranty proves to have been false or incorrect in any material respect on the date as of which made; or

(f) (i) the Company or any Significant Subsidiary or, during the Parent Guaranty Period, Evergy, is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least \$50,000,000 beyond any period of grace provided with respect thereto, or (ii) the Company or any Significant Subsidiary or, during the Parent Guaranty Period, Evergy, is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least \$50,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been declared (or one or more Persons are entitled to declare such Indebtedness to be), due and payable before its stated maturity or before its regularly scheduled dates of payment, or (iii) as a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of Indebtedness to convert such Indebtedness into equity interests), (x) the Company or any Significant Subsidiary or, during the Parent Guaranty Period, Evergy, has become obligated to purchase or repay Indebtedness before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least \$50,000,000, or (y) one or more

Persons have the right to require the Company or any Significant Subsidiary or, during the Parent Guaranty Period, Evergy, so to purchase or repay such Indebtedness; or

(g) the Company or any Significant Subsidiary (i) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (v) is adjudicated as insolvent or to be liquidated, or (vi) takes corporate action for the purpose of any of the foregoing; or

(h) a court or other Governmental Authority of competent jurisdiction enters an order appointing, without consent by the Company or any of its Significant Subsidiaries, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Company or any of its Significant Subsidiaries, or any such petition shall be filed against the Company or any of its Significant Subsidiaries and such petition shall not be dismissed within 60 days; or

(i) one or more final judgments or orders for the payment of money aggregating in excess of \$50,000,000, including, without limitation, any such final order enforcing a binding arbitration decision, are rendered against one or more of the Company and its Significant Subsidiaries and which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(j) if (i) any Plan shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code, (ii) a notice of intent to terminate any Plan shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Company or any ERISA Affiliate that a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed an amount that could reasonably be expected to have a Material Adverse Effect, (iv) the Company or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (v) the Company or any ERISA Affiliate withdraws from any Multiemployer Plan, or (vi) the Company or any Subsidiary establishes or amends any employee welfare benefit plan that provides post-employment welfare

benefits in a manner that would increase the liability of the Company or any Subsidiary thereunder; and any such event or events described in clauses (i) through (vi) above, either individually or together with any other such event or events, could reasonably be expected to have a Material Adverse Effect. As used in this Section 11(j), the terms “**employee benefit plan**” and “**employee welfare benefit plan**” shall have the respective meanings assigned to such terms in section 3 of ERISA; or

(k) any Subsidiary Guaranty shall cease to be in full force and effect, any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor shall contest in any manner the validity, binding nature or enforceability of any Subsidiary Guaranty, or the obligations of any Subsidiary Guarantor under any Subsidiary Guaranty are not or cease to be legal, valid, binding and enforceable in accordance with the terms of such Subsidiary Guaranty; or

(l) if the Parent Note Guaranty shall have been executed and delivered as required by Section 9.8, the Parent Note Guaranty shall cease to be in full force and effect, Everygy or any Person acting on behalf of Everygy shall contest in any manner of validity, binding nature or enforceability of the Parent Note Guaranty or the obligations of Everygy under the Parent Note Guaranty are not or cease to be legal, valid, binding and enforceable in accordance with the terms of the Parent Note Guaranty, except as provided for in Section 9.8(b).

## **SECTION 12. REMEDIES ON DEFAULT, ETC.**

**Section 12.1. Acceleration.** (a) If an Event of Default with respect to the Company described in Section 11(g) or (h) (other than an Event of Default described in clause (i) of Section 11(g) or described in clause (vi) of Section 11(g) by virtue of the fact that such clause encompasses clause (i) of Section 11(g)) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any other Event of Default has occurred and is continuing, the Required Holders at any time at its or their option, by notice or notices to the Company, declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in Section 11(a) or (b) has occurred and is continuing, any holder or holders of Notes at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to the Company, declare all the Notes held by it or them to be immediately due and payable.

Upon any Notes becoming due and payable under this Section 12.1, whether automatically or by declaration, such Notes will forthwith mature and the entire unpaid principal amount of such Notes, plus (x) all accrued and unpaid interest thereon (including, but not limited to, interest accrued thereon at the applicable Default Rate) and (y) the Make-Whole Amount determined in respect of such principal amount (to the full extent permitted by applicable law), shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived. The Company acknowledges, and the parties hereto agree, that

each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Company (except as herein specifically provided for) and that the provision for payment of a Make-Whole Amount by the Company in the event that the Notes are prepaid or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

**Section 12.2. Other Remedies.** If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note or Subsidiary Guaranty, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

**Section 12.3. Rescission.** At any time after any Notes have been declared due and payable pursuant to Section 12.1(b) or (c), the Required Holders, by written notice to the Company, may rescind and annul any such declaration and its consequences if (a) the Company has paid all overdue interest on the Notes, all principal of and Make-Whole Amount, if any, on any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal and Make-Whole Amount, if any, and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the applicable Default Rate, (b) neither the Company nor any other Person shall have paid any amounts which have become due solely by reason of such declaration, (c) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17, and (d) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

**Section 12.4. No Waivers or Election of Remedies, Expenses, Etc.** No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement, any Subsidiary Guaranty or any Note upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Company under Section 15, the Company will pay to the holder of each Note on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in any enforcement or collection under this Section 12, including, without limitation, reasonable attorneys' fees, expenses and disbursements.

### **SECTION 13. REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.**

**Section 13.1. Registration of Notes.** The Company shall keep at its principal executive office a register for the registration and registration of transfers of Notes. The name and address of each holder of one or more Notes, each transfer thereof and the name and address of each

transferee of one or more Notes shall be registered in such register. If any holder of one or more Notes is a nominee, then (a) the name and address of the beneficial owner of such Note or Notes shall also be registered in such register as an owner and holder thereof and (b) at any such beneficial owner's option, either such beneficial owner or its nominee may execute any amendment, waiver or consent pursuant to this Agreement. Prior to due presentment for registration of transfer, the Person(s) in whose name any Note(s) shall be registered shall be deemed and treated as the owner and holder thereof for all purposes hereof, and the Company shall not be affected by any notice or knowledge to the contrary. The Company shall give to any holder of a Note that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered holders of Notes.

**Section 13.2. Transfer and Exchange of Notes.** Upon surrender of any Note to the Company at the address and to the attention of the designated officer (all as specified in Section 18(iii)), for registration of transfer or exchange (and in the case of a surrender for registration of transfer accompanied by a written instrument of transfer duly executed by the registered holder of such Note or such holder's attorney duly authorized in writing and accompanied by the relevant name, address and other information for notices of each transferee of such Note or part thereof), within ten Business Days thereafter, the Company shall execute and deliver, at the Company's expense (except as provided below), one or more new Notes (as requested by the holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Note. Each such new Note shall be payable to such Person as such holder may request and shall be substantially in the form of Schedule 1. Each such new Note shall be dated and bear interest from the date to which interest shall have been paid on the surrendered Note or dated the date of the surrendered Note if no interest shall have been paid thereon. The Company may require payment of a sum sufficient to cover any stamp tax or governmental charge imposed in respect of any such transfer of Notes. Notes shall not be transferred in denominations of less than \$100,000, *provided* that if necessary to enable the registration of transfer by a holder of its entire holding of Note, one Note may be in a denomination of less than \$100,000. Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representation set forth in Section 6.2.

**Section 13.3. Replacement of Notes.** Upon receipt by the Company at the address and to the attention of the designated officer (all as specified in Section 18(iii)) of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation), and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (*provided* that if the holder of such Note is, or is a nominee for, an original Purchaser or another holder of a Note with a minimum net worth of at least \$50,000,000 or a Qualified Institutional Buyer, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory), or

(b) in the case of mutilation, upon surrender and cancellation thereof,

within ten Business Days thereafter, the Company at its own expense shall execute and deliver, in lieu thereof, a new Note, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

#### **SECTION 14. PAYMENTS ON NOTES.**

**Section 14.1. Place of Payment.** Subject to Section 14.2, payments of principal, Make-Whole Amount, if any, and interest becoming due and payable on the Notes shall be made in New York, New York at the principal office of Union Bank, N.A. in such jurisdiction. The Company may at any time, by notice to each holder of a Note, change the place of payment of the Notes so long as such place of payment shall be either the principal office of the Company in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

**Section 14.2. Home Office Payment.** So long as any Purchaser or its nominee shall be the holder of any Note, and notwithstanding anything contained in Section 14.1 or in such Note to the contrary, the Company will pay all sums becoming due on such Note for principal, Make-Whole Amount, if any, interest and all other amounts becoming due hereunder by the method and at the address specified for such purpose below such Purchaser's name in Schedule B, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Company in writing for such purpose, without the presentation or surrender of such Note or the making of any notation thereon, except that upon written request of the Company made concurrently with or reasonably promptly after payment or prepayment in full of any Note, such Purchaser shall surrender such Note for cancellation, reasonably promptly after any such request, to the Company at its principal executive office or at the place of payment most recently designated by the Company pursuant to Section 14.1. Prior to any sale or other disposition of any Note held by a Purchaser or its nominee, such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Note to the Company in exchange for a new Note or Notes pursuant to Section 13.2. The Company will afford the benefits of this Section 14.2 to any Institutional Investor that is the direct or indirect transferee of any Note purchased by a Purchaser under this Agreement and that has made the same agreement relating to such Note as the Purchasers have made in this Section 14.2.

**Section 14.3. FATCA Information.** By acceptance of any Note, the holder of such Note agrees that such holder will with reasonable promptness duly complete and deliver to the Company, or to such other Person as may be reasonably requested by the Company, from time to time (a) in the case of any such holder that is a United States Person, such holder's United States tax identification number or other Forms reasonably requested by the Company necessary to establish such holder's status as a United States Person under FATCA and as may otherwise be necessary for the Company to comply with its obligations under FATCA and (b) in the case of any such holder that is not a United States Person, such documentation prescribed by applicable law (including as prescribed by section 1471(b)(3)(C)(i) of the Code) and such additional documentation as may be necessary for the Company to comply with its obligations under FATCA and to determine that such holder has complied with such holder's obligations under FATCA or to determine the amount (if any) to deduct and withhold from any such payment made to such holder. Nothing in this

Section 14.3 shall require any holder to provide information that is confidential or proprietary to such holder unless the Company is required to obtain such information under FATCA and, in such event, the Company shall treat any such information it receives as confidential.

## **SECTION 15. EXPENSES, ETC.**

**Section 15.1. Transaction Expenses.** Whether or not the transactions contemplated hereby are consummated, the Company will pay all costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required by the Required Holders, local or other counsel) incurred by the Purchasers and each other holder of a Note in connection with such transactions and in connection with any amendments, waivers or consents under or in respect of this Agreement, any Subsidiary Guaranty or the Notes (whether or not such amendment, waiver or consent becomes effective) within 15 Business Days after the Company's receipt of any invoice therefor, including, without limitation: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement, any Subsidiary Guaranty or the Notes or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement, any Subsidiary Guaranty or the Notes, or by reason of being a holder of any Note, (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Company or any Subsidiary or in connection with any work-out or restructuring of the transactions contemplated hereby and by the Notes and any Subsidiary Guaranty and (c) the costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the SVO *provided*, that such costs and expenses under this clause (c) shall not exceed \$4,000. In the event that any such invoice is not paid within 15 Business Days after the Company's receipt thereof, interest on the amount of such invoice shall be due and payable at the Default Rate for the Notes commencing with the 16th Business Day after the Company's receipt thereof until such invoice has been paid. The Company will pay, and will save each Purchaser and each other holder of a Note harmless from, (i) all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those, if any, retained by a Purchaser or other holder in connection with its purchase of the Notes) and (ii) any and all wire transfer fees that any bank deducts from any payment under such Note to such holder or otherwise charges to a holder of a Note with respect to a payment under such Note.

**Section 15.2. Certain Taxes.** The Company agrees to pay all stamp, documentary or similar taxes or fees which may be payable in respect of the execution and delivery or the enforcement of this Agreement or any Subsidiary Guaranty or the execution and delivery (but not the transfer) or the enforcement of any of the Notes in the United States or any other jurisdiction where the Company or any Subsidiary Guarantor has assets or of any amendment of, or waiver or consent under or with respect to, this Agreement or any Subsidiary Guaranty or of any of the Notes, and to pay any value added tax due and payable in respect of reimbursement of costs and expenses by the Company pursuant to this Section 15, and will save each holder of a Note to the extent permitted by applicable law harmless against any loss or liability resulting from nonpayment or delay in payment of any such tax or fee required to be paid by the Company hereunder.

**Section 15.3. Survival.** The obligations of the Company under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, any Subsidiary Guaranty or the Notes, and the termination of this Agreement.

**SECTION 16. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.**

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of such Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by or on behalf of the Company pursuant to this Agreement shall be deemed representations and warranties of the Company under this Agreement. Subject to the preceding sentence, this Agreement, the Notes and any Subsidiary Guaranties embody the entire agreement and understanding between each Purchaser and the Company and supersede all prior agreements and understandings relating to the subject matter hereof.

**SECTION 17. AMENDMENT AND WAIVER.**

**Section 17.1. Requirements.** This Agreement and the Notes may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), only with the written consent of the Company and the Required Holders, except that:

(a) no amendment or waiver of any of Sections 1, 2, 3, 4, 5, 6 or 21 hereof, or any defined term (as it is used therein), will be effective as to any Purchaser unless consented to by such Purchaser in writing;

(b) no amendment or waiver may, without the written consent of each Purchaser and the holder of each Note at the time outstanding, (i) subject to Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of, or reduce the rate or change the time of payment or method of computation of (x) interest on the Notes or (y) the Make-Whole Amount, (ii) change the percentage of the principal amount of the Notes the holders of which are required to consent to any amendment or waiver or the principal amount of the Notes that the Purchasers are to purchase pursuant to Section 2 upon the satisfaction of the conditions to Closing that appear in Section 4, or (iii) amend any of Sections 8 (except as set forth in the second sentence of Section 8.2, 11(a), 11(b), 12, 17 or 20; and

**Section 17.2. Solicitation of Holders of Notes.**

(a) *Solicitation.* The Company will provide each holder of a Note with sufficient information, sufficiently far in advance of the date a decision is required, to enable such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes, any Subsidiary Guaranty or the Parent Note Guaranty, if applicable. The Company will deliver executed or true and correct copies

of each amendment, waiver or consent effected pursuant to this Section 17, any Subsidiary Guaranty or the Parent Note Guaranty, if applicable to each holder of a Note promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) *Payment.* The Company will not directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security or provide other credit support, to any holder of a Note as consideration for or as an inducement to the entering into by such holder of any waiver or amendment of any of the terms and provisions hereof or of any Subsidiary Guaranty, any Note or the Parent Note Guaranty, if applicable unless such remuneration is concurrently paid, or security is concurrently granted or other credit support concurrently provided, on the same terms, ratably to each holder of a Note even if such holder did not consent to such waiver or amendment.

(c) *Consent in Contemplation of Transfer.* Any consent given pursuant to this Section 17, any Subsidiary Guaranty or the Parent Note Guaranty, if applicable by a holder of Notes that has transferred or has agreed to transfer its Notes to the Company, any Subsidiary or any Affiliate of the Company in connection with such consent shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

**Section 17.3. Binding Effect, Etc.** Any amendment or waiver consented to as provided in this Section 17, any Subsidiary Guaranty or the Parent Note Guaranty, if applicable, applies equally to all holders of Notes and is binding upon them and upon each future holder of any Note and upon the Company without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Company and any holder of a Note and no delay in exercising any rights hereunder or under any Note, Subsidiary Guaranty or the Parent Note Guaranty, if applicable, shall operate as a waiver of any rights of any holder of such Note.

**Section 17.4. Notes Held by Company, Etc.** Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement, any Subsidiary Guaranty, the Parent Note Guaranty, if applicable, or the Notes, or have directed the taking of any action provided herein or in any Subsidiary Guaranty, the Parent Note Guaranty, if applicable, or the Notes to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by the Company or any of its Affiliates shall be deemed not to be outstanding.

## **SECTION 18. NOTICES.**

Except to the extent otherwise provided in Section 7.4, all notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by an internationally recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

(i) if to any Purchaser or its nominee, to such Purchaser or nominee at the address specified for such communications in Schedule B, or at such other address as such Purchaser or nominee shall have specified to the Company in writing,

(ii) if to any other holder of any Note, to such holder at such address as such other holder shall have specified to the Company in writing, or

(iii) if to the Company, to the Company at its address set forth at the beginning hereof to the attention of Lori A. Wright, Vice President, Corporate Planning, Investor Relations and Treasurer, or at such other address as the Company shall have specified to the holder of each Note in writing.

Notices under this Section 18 will be deemed given only when actually received.

## **SECTION 19. REPRODUCTION OF DOCUMENTS.**

This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser, may be reproduced by such Purchaser by any photographic, photostatic, electronic, digital, or other similar process and such Purchaser may destroy any original document so reproduced. The Company agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by such Purchaser in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Company or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

## **SECTION 20. CONFIDENTIAL INFORMATION.**

For the purposes of this Section 20, “**Confidential Information**” means information delivered to any Purchaser by or on behalf of the Company or any Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature and that was clearly marked or labeled or otherwise adequately identified when received

by such Purchaser as being confidential information of the Company or such Subsidiary, *provided* that such term does not include information that (a) was publicly known or otherwise known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or any Person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by the Company or any Subsidiary or (d) constitutes financial statements delivered to such Purchaser under Section 7.1 that are otherwise publicly available. Each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such Purchaser, *provided* that such Purchaser may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys, trustees and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by its Notes), (ii) its auditors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with this Section 20, (iii) any other holder of any Note, (iv) any Institutional Investor to which it sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (v) any Person from which it offers to purchase any Security of the Company (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (vi) any federal or state regulatory authority having jurisdiction over such Purchaser, (vii) the NAIC or the SVO or, in each case, any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio, or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to such Purchaser, (x) in response to any subpoena or other legal process, (y) in connection with any litigation to which such Purchaser is a party or (z) if an Event of Default has occurred and is continuing, to the extent such Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes, this Agreement, any Subsidiary Guaranty or the Parent Note Guaranty, if applicable. Each holder of a Note, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Company in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Company embodying this Section 20.

In the event that as a condition to receiving access to information relating to the Company or its Subsidiaries in connection with the transactions contemplated by or otherwise pursuant to this Agreement, any Purchaser or holder of a Note is required to agree to a confidentiality undertaking (whether through IntraLinks, another secure website, a secure virtual workspace or otherwise) which is different from this Section 20, this Section 20 shall not be amended thereby and, as between such Purchaser or such holder and the Company, this Section 20 shall supersede any such other confidentiality undertaking.

**SECTION 21. SUBSTITUTION OF PURCHASER.**

Each Purchaser shall have the right to substitute any one of its Affiliates or another Purchaser or any one of such other Purchaser's Affiliates (a "**Substitute Purchaser**") as the purchaser of the Notes that it has agreed to purchase hereunder, by written notice to the Company, which notice shall be signed by both such Purchaser and such Substitute Purchaser, shall contain such Substitute Purchaser's agreement to be bound by this Agreement and shall contain a confirmation by such Substitute Purchaser of the accuracy with respect to it of the representations set forth in Section 6. Upon receipt of such notice, any reference to such Purchaser in this Agreement (other than in this Section 21), shall be deemed to refer to such Substitute Purchaser in lieu of such original Purchaser. In the event that such Substitute Purchaser is so substituted as a Purchaser hereunder and such Substitute Purchaser thereafter transfers to such original Purchaser all of the Notes then held by such Substitute Purchaser, upon receipt by the Company of notice of such transfer, any reference to such Substitute Purchaser as a "Purchaser" in this Agreement (other than in this Section 21), shall no longer be deemed to refer to such Substitute Purchaser, but shall refer to such original Purchaser, and such original Purchaser shall again have all the rights of an original holder of the Notes under this Agreement.

**SECTION 22. MISCELLANEOUS.**

**Section 22.1. Successors and Assigns.** All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent holder of a Note) whether so expressed or not.

**Section 22.2. Accounting Terms.** All accounting terms used herein which are not expressly defined in this Agreement have the meanings respectively given to them in accordance with GAAP. Except as otherwise specifically provided herein, (i) all computations made pursuant to this Agreement shall be made in accordance with GAAP, and (ii) all financial statements shall be prepared in accordance with GAAP. For purposes of determining compliance with this Agreement (including, without limitation, Section 9, Section 10 and the definition of "Indebtedness"), any election by the Company to measure any financial liability using fair value (as permitted by Financial Accounting Standards Board Accounting Standards Codification Topic No. 825-10-25 – *Fair Value Option*, International Accounting Standard 39 – *Financial Instruments: Recognition and Measurement* or any similar accounting standard) shall be disregarded and such determination shall be made as if such election had not been made.

**Section 22.3. Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

**Section 22.4. Construction, Etc.** Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary

provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

**Section 22.5. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

**Section 22.6. Governing Law.** This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

**Section 22.7. Jurisdiction and Process; Waiver of Jury Trial.** (a) The Company irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the Notes. To the fullest extent permitted by applicable law, the Company irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Company agrees, to the fullest extent permitted by applicable law, that a final judgment in any suit, action or proceeding of the nature referred to in Section 22.7(a) brought in any such court shall be conclusive and binding upon it subject to rights of appeal, as the case may be, and may be enforced in the courts of the United States of America or the State of New York (or any other courts to the jurisdiction of which it or any of its assets is or may be subject) by a suit upon such judgment.

(c) The Company consents to process being served by or on behalf of any holder of Notes in any suit, action or proceeding of the nature referred to in Section 22.7(a) by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, return receipt requested, to it at its address specified in Section 18 or at such other address of which such holder shall then have been notified pursuant to said Section. The Company agrees that such service upon receipt (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(d) Nothing in this Section 22.7 shall affect the right of any holder of a Note to serve process in any manner permitted by law, or limit any right that the holders of any of the Notes may have to bring proceedings against the Company in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(e) THE PARTIES HERETO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, THE NOTES OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH OR THEREWITH.

**Section 22.8. Paying Agent.** The Purchasers hereby acknowledge that the Company may use a paying agent to make payments due hereunder and under the Notes. The Company hereby acknowledges that its use of a paying agent for such purposes does not relieve it of any of its obligations under this Agreement or the Notes and any failure of any such paying agent to perform any obligations of the Company hereunder or under the Notes shall be treated, as between the Company and the holders of the Notes, as the failure of the Company to perform such obligations.

\* \* \* \* \*

If you are in agreement with the foregoing, please sign the form of agreement on a counterpart of this Agreement and return it to the Company, whereupon this Agreement shall become a binding agreement between you and the Company.

Very truly yours,

KCP&L GREATER MISSOURI OPERATIONS COMPANY

By /s/ James P. Gilligan

Name: James P. Gilligan

Title: Assistant Treasurer

The undersigned, Evergy, Inc., a Missouri corporation, acknowledges and agrees to the terms and provisions of this Agreement including, without limitation, terms and provisions of Section 9.8 hereof.

EVERGY, INC.

By /s/ James P. Gilligan

Name: James P. Gilligan

Title: Assistant Treasurer

This Agreement is hereby  
accepted and agreed to as  
of the date hereof.

METROPOLITAN LIFE INSURANCE COMPANY

By: MetLife Investment Advisors, LLC, its Investment Manager

By /s/Jennifer Potenta

Name: Jennifer Potenta

Title: Managing Director

## DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

**“Affiliate”** means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and, with respect to the Company, shall include any Person beneficially owning or holding, directly or indirectly, 10% or more of any class of voting or equity interests of the Company or any Subsidiary or any Person of which the Company and its Subsidiaries beneficially own or hold, in the aggregate, directly or indirectly, 10% or more of any class of voting or equity interests. As used in this definition, **“Control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an “Affiliate” is a reference to an Affiliate of the Company.

**“Agreement”** means this Agreement, including all Schedules attached to this Agreement, as it may be amended, restated, supplemented or otherwise modified from time to time.

**“Anti-Corruption Laws”** means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding bribery or any other corrupt activity, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010.

**“Anti-Money Laundering Laws”** means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes, including the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act) and the USA PATRIOT Act.

**“Attributable Indebtedness”** means, on any date, (a) in respect of any Capitalized Lease Obligation of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

**“Blocked Person”** means (a) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a Person, entity, organization, country or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country or regime described in clause (a) or (b).

**“Business Day”** means (a) for the purposes of Section 8.6 only, any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed, and (b) for the purposes of any other provision of this Agreement, any day other than

### SCHEDULE A (to Note Purchase Agreement)

a Saturday, a Sunday or a day on which commercial banks in New York, New York or Kansas City, Missouri are required or authorized to be closed.

**“Capital Lease”** means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

**“Capitalized Lease Obligations”** of a Person means the amount of the obligation of such Person under such Capital Lease which would be shown as a liability on a balance sheet of such Person prepared in accordance with GAAP.

**“Change of Control”** means an event or series of events by which:

(i) any “person” or “group” (as such terms are used in sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of Evergy or its Subsidiaries, or any Person acting in its capacity as trustee, agent of other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-5 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of Evergy; or

(ii) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of Evergy), a majority of the members of the board of directors or other equivalent governing body of Evergy ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; or

(iii) the Company fails to be a Subsidiary of Evergy.

**“Closing”** is defined in Section 3.

**“Code”** means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

**“Company”** means KCP&L Greater Missouri Operations Company, a Delaware corporation or any successor that becomes such in the manner prescribed in Section 10.2.

**“Confidential Information”** is defined in Section 20.

**“Consolidated Net Income”** means, for any period, for the Company and its consolidated Subsidiaries, the net income of the Company and its consolidated Subsidiaries from continuing operations, excluding extraordinary items for that period.

**“Consolidated Subsidiaries”** means any Subsidiaries of the Company that are (or should be) included when preparing the consolidated financial statements of the Company.

**“Consolidated Tangible Net Worth”** means, as of any date of determination, for the Company and its Consolidated Subsidiaries, shareholders’ equity of the Company and its Consolidated Subsidiaries on that date minus the Intangible Assets of the Company and its Consolidated Subsidiaries on that date.

**“Contingent Obligation”** of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss.

**“Controlled Entity”** means (i) any of the Subsidiaries of the Company and any of their or the Company’s respective Controlled Affiliates and (ii) if the Company has a parent company, such parent company and its Controlled Affiliates. As used in this definition, **“Control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

**“Credit Agreement”** is defined in clause (a) of the definition of “Material Credit Facility”.

**“Default”** means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

**“Default Rate”** means that rate of interest per annum that is the greater of (i) 2% above the rate of interest stated in clause (a) of the first paragraph of the Notes or (ii) 2% over the rate of interest publicly announced by Union Bank, N.A. in New York, New York as its “base” or “prime” rate.

**“Disclosure Documents”** is defined in Section 5.3.

**“Environmental Laws”** means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to Hazardous Materials.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

**“ERISA Affiliate”** means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

**“Event of Default”** is defined in Section 11.

**“Eversource”** means Eversource Energy, Inc., a Missouri corporation.

**“FATCA”** means (a) sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), together with any current or future regulations or official interpretations thereof, (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of the foregoing clause (a), and (c) any agreements entered into pursuant to section 1471(b)(1) of the Code.

**“FERC Report”** is defined in Section 5.7.

**“Form 10-K”** is defined in Section 7.1(b).

**“Form 10-Q”** is defined in Section 7.1(a).

**“GAAP”** means generally accepted accounting principles as in effect from time to time in the United States of America.

**“Governmental Authority”** means

(a) the government of

(i) the United States of America or any state or other political subdivision thereof, or

(ii) any other jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

**“Governmental Official”** means any governmental official or employee, employee of any government-owned or government-controlled entity, political party, any official of a political party, candidate for political office, official of any public international organization or anyone else acting in an official capacity.

**“Guaranty”** means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other

Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

**“Hazardous Materials”** means any and all pollutants, toxic or hazardous wastes or other substances that might pose a hazard to health and safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized by any applicable law including, but not limited to, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas or similar restricted, prohibited or penalized substances.

**“Hedge Agreement”** means (a) any and all interest rate swap transactions, basis swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward foreign exchange transactions, cap transactions, floor transactions, currency options, spot contracts or any other similar transactions or any of the foregoing (including, but without limitation, any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement.

**“holder”** means, with respect to any Note, the Person in whose name such Note is registered in the register maintained by the Company pursuant to Section 13.1, *provided, however*, that if such Person is a nominee, then for the purposes of Sections 7, 12, 17.2 and 18 and any related definitions

in this Schedule B, “holder” shall mean the beneficial owner of such Note whose name and address appears in such register.

**“Inactive Subsidiary”** means, at any time, any Subsidiary which (a) as of the date of determination, owns consolidated assets equal to or less than one percent (1%) of the consolidated assets of the Company and its Subsidiaries and (b) which had consolidated net income from continuing operations (excluding extraordinary items) during the four (4) most recently ended fiscal quarters equal to or less than one percent (1%) of Consolidated Net Income (excluding extraordinary items) during such period.

**“Indebtedness”** means, as to any Person at a particular time, all of the following, without duplication, to the extent recourse may be had to the assets or properties of such Person in respect thereof: (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (b) any direct obligations or Contingent Obligations of such Person in the aggregate in excess of \$2,000,000 arising under letters of credit (including standby and commercial letters of credit), banker’s acceptances, bank guaranties, surety bonds and similar instruments; (c) net obligations of such Person under Hedge Agreements; (d) all obligations of such Person to pay the deferred purchase price of property or services (except trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business), and indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse; (e) Capitalized Lease Obligations and Synthetic Lease Obligations of such Person; and (f) all Contingent Obligations of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer, unless such Indebtedness is non-recourse to such Person. It is understood and agreed that Indebtedness (including Contingent Obligations) shall not include any obligations of any Person with respect to subordinated, deferrable interest debt Securities, and any related Securities issued by a trust or other special purpose entity in connection therewith, or any similar securities, that, in each case, are classified at the time of issuance, as possessing a minimum of “intermediate equity content” by S&P and “Basket C equity credit” by Moody’s (or the equivalent classification then in effect by such agencies), as long as the maturity date of such debt is subsequent to the maturity date of all Notes; *provided* that the amount of mandatory principal amortization or defeasance of such debt prior to the maturity date of all Notes shall be included in this definition of Indebtedness. The amount of any Capitalized Lease Obligation or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date. For clarity, references herein to intercompany Indebtedness shall not include indebtedness of the Company to Evergy or of any Subsidiary to Evergy.

**“INHAM Exemption”** is defined in Section 6.2(e).

**“Institutional Investor”** means (a) any Purchaser of a Note, (b) any holder of a Note holding (together with one or more of its affiliates) more than 5% of the aggregate principal amount of the Notes then outstanding, (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form, and (d) any Related Fund of any holder of any Note.

**“Intangible Assets”** means assets that are considered to be intangible assets under GAAP, including, but not limited to, customer lists, goodwill, computer software, copyrights, trade names, trademarks, patents, franchises and licenses.

**“KCPL”** means Kansas City Power & Light Company, a Missouri corporation.

**“KCPL Mortgage Bond Indenture”** means the General Mortgage Indenture and Deed of Trust dated as of December 1, 1986 from KCPL to UMB Bank, N.A., as trustee, as amended.

**“KGE”** means Kansas Gas and Electric Company, a Kansas corporation.

**“KGE Mortgage Bond Indenture”** means the Mortgage and Deed of Trust, dated as of April 1, 1940, between KGE to Guaranty Trust Company of New York.

**“Lien”** means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

**“Make-Whole Amount”** is defined in Section 8.6.

**“Material”** means material in relation to the business, operations, affairs, financial condition, assets, properties, or prospects of the Company and its Subsidiaries taken as a whole.

**“Material Adverse Effect”** means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole, (b) the ability of the Company to perform its obligations under this Agreement and the Notes, (c) the ability of any Subsidiary Guarantor to perform its obligations under its Subsidiary Guaranty, or (d) the validity or enforceability of this Agreement, the Notes or any Subsidiary Guaranty.

**“Material Credit Facility”** means, as to the Company and its Subsidiaries, the following:

(a) the Credit Agreement among the Company, Evergy, Westar and KCPL, each as borrowers thereunder, certain lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent dated September 18, 2018 (as amended), including any renewals, extensions, amendments, supplements, restatements, replacements or refinancing thereof (the **“Credit Agreement”**); and

(b) any other agreement(s) creating or evidencing indebtedness for borrowed money entered into on or after the date of Closing by the Company or any Subsidiary, or in respect of which the Company or any Subsidiary is an obligor or otherwise provides a guarantee or other credit support (“**Credit Facility**”), in a principal amount outstanding or available for borrowing equal to or greater than \$100,000,000 (or the equivalent of such amount in the relevant currency of payment, determined as of the date of the closing of such facility based on the exchange rate of such other currency); and if no Credit Facility or Credit Facilities equal or exceed such amounts, then the largest Credit Facility shall be deemed to be a Material Credit Facility.

“**Maturity Date**” is defined in the first paragraph of each Note.

“**Moody’s**” means Moody’s Investors Service, Inc. or any successor to the rating agency business thereof.

“**Multiemployer Plan**” means any Plan that is a “multiemployer plan” (as such term is defined in section 4001(a)(3) of ERISA).

“**NAIC**” means the National Association of Insurance Commissioners or any successor thereto.

“**Notes**” is defined in Section 1.

“**OFAC**” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“**OFAC Sanctions Program**” means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>.

“**Officer’s Certificate**” means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

“**Parent Guaranty Period**” shall mean any period on or after Evergy is required to deliver a Parent Note Guaranty pursuant to Section 9.8.

“**Parent Note Guaranty**” shall mean the Guaranty of Evergy attached hereto as Schedule C.

“**PBGC**” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

“**Person**” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity or Governmental Authority.

“**Plan**” means an “employee benefit plan” (as defined in section 3(3) of ERISA) subject to Title I of ERISA that is or, within the preceding five years, has been established or maintained, or

to which contributions are or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate may have any liability.

**“Priority Debt”** means (excluding intercompany Indebtedness):

(i) all Indebtedness of the Company and its Subsidiaries secured by Liens other than Liens permitted by Section 10.5(a) through (v).

(ii) all other Indebtedness of Subsidiaries (excluding Project Finance Subsidiaries) other than:

(a) Indebtedness of a Subsidiary outstanding on the date hereof and disclosed in Schedule 5.15, *provided* that such Indebtedness may not be extended, renewed or refunded except as otherwise provided in this Agreement;

(b) Indebtedness of a Subsidiary outstanding at the time such Subsidiary becomes a Subsidiary, *provided* that (i) such Indebtedness shall not have been incurred in contemplation of such Subsidiary becoming a Subsidiary and (ii) immediately after such Subsidiary becomes a Subsidiary no Default or Event of Default shall exist, and *provided further* that such Indebtedness may not be extended, renewed or refunded except as otherwise permitted by this Agreement; and

(c) unsecured Indebtedness of any Subsidiary Guarantor.

**“Project Finance Subsidiary”** means any Subsidiary that meets the following requirements: (a) it is primarily engaged, directly or indirectly, in the ownership, operation and/or financing of independent power production and related facilities and assets, and (b) neither the Company nor any other Subsidiary (other than another Project Finance Subsidiary) has any liability, contingent or otherwise, for the Indebtedness or other obligations of such Subsidiary (other than non-recourse liability resulting from the pledge of stock of such Subsidiary).

**“property”** or **“properties”** means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

**“Proposed Prepayment Date”** is defined in Section 8.8.

**“PTE”** is defined in Section 6.2(a).

**“Purchaser”** or **“Purchasers”** means each of the purchasers that has executed and delivered this Agreement to the Company and such Purchaser’s successors and assigns (so long as any such assignment complies with Section 13.2), *provided, however*, that any Purchaser of a Note that ceases to be the registered holder or a beneficial owner (through a nominee) of such Note as the result of a transfer thereof pursuant to Section 13.2 shall cease to be included within the meaning of “Purchaser” of such Note for the purposes of this Agreement upon such transfer.

**“Qualified Institutional Buyer”** means any Person who is a “qualified institutional buyer” within the meaning of such term as set forth in Rule 144A(a)(1) under the Securities Act.

**“QPAM Exemption”** is defined in Section 6.2(d).

**“Related Fund”** means, with respect to any holder of any Note, any fund or entity that (i) invests in Securities or bank loans, and (ii) is advised or managed by such holder, the same investment advisor as such holder or by an affiliate of such holder or such investment advisor.

**“Required Holders”** means (i) prior to the Closing, the Purchasers and (ii) at any time on or after the Closing, the holders of at least 51% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by the Company or any of its Affiliates).

**“Responsible Officer”** means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

**“S&P”** means S&P Global Ratings, a division of the McGraw-Hill Companies, Inc. or any successor to the rating agency business thereof.

**“SEC”** means the Securities and Exchange Commission of the United States, or any successor thereto.

**“Securities”** or **“Security”** shall have the meaning specified in section 2(1) of the Securities Act.

**“Securities Act”** means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

**“Senior Financial Officer”** means the chief financial officer, principal accounting officer, treasurer, assistant treasurer or comptroller of the Company.

**“Significant Subsidiary”** means, at any time, each Subsidiary which (a) as of the date of determination, owns consolidated assets equal to or greater than ten percent (10%) of the consolidated assets of the Company and its Subsidiaries or (b) which had consolidated net income from continuing operations (excluding extraordinary items) during the four (4) most recently ended fiscal quarters equal to or greater than ten (10%) of Consolidated Net Income (excluding extraordinary items) during such period.

**“Source”** is defined in Section 6.2.

**“State Sanctions List”** means a list that is adopted by any state Governmental Authority within the United States of America pertaining to Persons that engage in investment or other commercial activities in Iran or any other country that is a target of economic sanctions imposed under U.S. Economic Sanctions Laws.

**“Subsidiary”** means, as to any Person, any other Person in which such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such second Person, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries (unless such partnership or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a “Subsidiary” is a reference to a Subsidiary of the Company.

**“Subsidiary Guarantor”** means each Subsidiary that has executed and delivered a Subsidiary Guaranty.

**“Subsidiary Guaranty”** is defined in Section 9.7(a).

**“Substitute Purchaser”** is defined in Section 21.

**“SVO”** means the Securities Valuation Office of the NAIC or any successor to such Office.

**“Synthetic Lease Obligations”** means the monetary obligation of a Person under (a) a so-called synthetic or tax retention lease, pursuant to which notwithstanding the off-balance sheet treatment of the lease obligation the assets are deemed owned by the lessee for U.S. federal income tax purposes, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon insolvency or bankruptcy or such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

**“Total Capitalization”** means Total Indebtedness of the Company and its Consolidated Subsidiaries plus the sum of (a) shareholders’ equity (without giving effect to the application of ASC Topic 815) and (b) to the extent not otherwise included in Total Indebtedness or shareholders’ equity, preferred and preference stock and Securities of the Company and its Subsidiaries included in a consolidated balance sheet of the Company and its Consolidated Subsidiaries in accordance with GAAP.

**“Total Indebtedness”** means all Indebtedness of the Company and its Consolidated Subsidiaries on a consolidated basis (and without duplication) but without giving effect to the application of ASC Topic 860 with respect to transfers of accounts receivable by the Company or one or more of its Subsidiaries to a non-Subsidiary, excluding Indebtedness arising under Hedge Agreements entered into in the ordinary course of business to hedge bona fide transactions and business risks and not for speculation.

**“USA PATRIOT Act”** means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 and the rules and regulations promulgated thereunder from time to time in effect.

**“U.S. Economic Sanctions Laws”** means those laws, executive orders, enabling legislation or regulations administered and enforced by the United States pursuant to which economic sanctions have been imposed on any Person, entity, organization, country or regime, including the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Iran Sanctions Act, the Sudan Accountability and Divestment Act and any other OFAC Sanctions Program.

**“Westar”** means Westar Energy, Inc., a Kansas corporation.

**“Westar Mortgage Bond Indenture”** means the Mortgage and Deed of Trust, dated July 1, 1939, between Westar and The Bank of New York Mellon Trust Company, N.A., as successor to BNY Midwest Trust Company, as successor to Harris Trust and Savings Bank, as trustee, as supplemented and amended by supplemental indentures.

**“Wholly-Owned Subsidiary”** means, at any time, any Subsidiary one hundred percent of all of the equity interests (except directors’ qualifying shares) and voting interests of which are owned by any one or more of the Company and the Company’s other Wholly-Owned Subsidiaries at such time.

[FORM OF NOTE]

KCP&L GREATER MISSOURI OPERATIONS COMPANY

3.74% SENIOR NOTE DUE MARCH 1, 2022

[Date]

No. [\_\_\_\_\_]

\$(\_\_\_\_\_)

PPN 48666\* [\_\_\_\_\_]

FOR VALUE RECEIVED, the undersigned, **KCP&L GREATER MISSOURI OPERATIONS COMPANY** (herein called the **“Company”**), a corporation organized and existing under the laws of the State of Delaware, hereby promises to pay to [\_\_\_\_\_], or registered assigns, the principal sum of [\_\_\_\_\_] Dollars (or so much thereof as shall not have been prepaid) on March 1, 2022 (the **“Maturity Date”**), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance hereof at the rate of 3.74% per annum from the date hereof, payable semiannually, on the 1st day of March and September in each year, commencing with the March 1 or September 1 next succeeding the date hereof, and on the Maturity Date, until the principal hereof shall have become due and payable, and (b) to the extent permitted by law, (x) on any overdue payment of interest and (y) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Make-Whole Amount, at a rate per annum from time to time equal to the greater of (i) 5.74% or (ii) 2% over the rate of interest publicly announced by Union Bank, N.A. from time to time in New York, New York as its “base” or “prime” rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, interest on and any Make-Whole Amount with respect to this Note are to be made in lawful money of the United States of America at Union Bank, N.A. or at such other place as the Company shall have designated by written notice to the holder of this Note as provided in the Note Purchase Agreement referred to below.

This Note is one of a series of Senior Notes (herein called the **“Notes”**) issued pursuant to the Note Purchase Agreement, dated as of February 12, 2019 (as from time to time amended, the **“Note Purchase Agreement”**), between the Company and the respective Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representation set forth in Section 6.2 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the person

SCHEDULE 1  
(to Note Purchase Agreement)

in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company will not be affected by any notice to the contrary.

This Note is subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the Company and the holder of this Note shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

KCP&L GREATER MISSOURI OPERATIONS COMPANY

By \_\_\_\_\_

Lori A. Wright  
Vice President, Corporate Planning, Investor Relations and Treasurer

**FORM OF OPINION OF SPECIAL COUNSEL  
TO THE COMPANY**

**Matters To Be Covered in  
Opinion of Special Counsel to the Company**

1. Documents being legal, valid, binding and enforceable.
2. No conflicts with New York laws.
3. The Notes not requiring registration under the Securities Act of 1933, as amended; no need to qualify an indenture under the Trust Indenture Act of 1939, as amended.
4. No violation of Regulations T, U or X of the Federal Reserve Board.
5. Company not an “investment company”, or a company “controlled” by an “investment company”, under the Investment Company Act of 1940, as amended.

SCHEDULE 4.4(a)(i)  
(to Note Purchase Agreement)

**FORM OF OPINION OF COUNSEL  
TO THE COMPANY**

**Matters To Be Covered in**

**Opinion of Senior Vice President, General Counsel and Corporate Secretary of the Company**

1. The Company being duly incorporated, validly existing and in good standing and having requisite corporate power and authority to issue and sell the Notes and to execute and deliver the documents.
2. The Company being duly qualified and in good standing as a foreign corporation in appropriate jurisdictions.
3. Due authorization and execution of the documents.
4. No conflicts with charter documents, laws or other agreements.
5. All consents required to issue and sell the Notes and to execute and deliver the documents having been obtained.
6. No litigation questioning validity of documents.

SCHEDULE 4.4(a)(ii)  
(to Note Purchase Agreement)

**FORM OF OPINION OF SPECIAL COUNSEL  
TO THE PURCHASERS**

[To Be Provided on a Case by Case Basis]

SCHEDULE 4.4(b)  
(to Note Purchase Agreement)

## **DISCLOSURE DOCUMENTS**

Great Plains Energy Incorporated 2017 Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 21, 2018

Great Plains Energy Incorporated Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed with the Securities and Exchange Commission on May 2, 2018

Evergy, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, filed with the Securities and Exchange Commission on August 8, 2018

Evergy, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, filed with the Securities and Exchange Commission on November 7, 2018

Evergy, Inc. Current Reports on Form 8-K filed with the Securities and Exchange Commission on May 25, 2018, June 4, 2018 and September 18, 2018

Evergy Generating Unit Master File provided via e-mail on December 11, 2018

**SCHEDULE 5.3**  
**(to Note Purchase Agreement)**

## SUBSIDIARIES AND OWNERSHIP OF SUBSIDIARY STOCK

<u>Subsidiary</u>	<u>Jurisdiction of Organization</u>	<u>% of Equity Interests owned by the Company and each other Subsidiary</u>
MPS Merchant Services, Inc.	DE	100%
MPS Gas Pipeline Corporation	DE	100%
MPS Platt County Power L.L.C.	DE	100%
MOPUB Group Inc.	DE	100%
Golden Bear Hydro, Inc. <sup>(a)</sup>	DE	100%
G.B. Hydro Partners L.P.	MN	0.5%
Energia, Inc. <sup>(a)</sup>	DE	100%
G.B. Hydro Partners L.P.	MN	99%
Mega Renewables	CA	50%
GMO Receivables Company	DE	100%
LoJamo, LLC	MO	100%
MPS Finance Corp.	DE	100%
MPS Canada Holdings, Inc.	DE	100%
Missouri Public Service Company	MO	100%
MPS Networks Canada Corporation	Alberta, Canada	100%
MPS Canada Corporation	New Brunswick, Canada	100%
SJLP Inc.	MO	100%
Trans MPS, Inc.	DE	100%
MPS Europe, Inc.	DE	100%
MPS Sterling Holdings, LLC	DE	50%

<sup>(a)</sup> Golden Bear Hydro, Inc. and Energia, Inc. hold a 0.5% general partnership and 99.0% limited partnership interest, respectively, in G.B. Hydro Partners, L.P. which in turn holds a 50% partnership in Mega Renewables.

### SCHEDULE 5.4 (to Note Purchase Agreement)

## OTHER AFFILIATES

Evergy, Inc.  
Great Plains Energy Services Incorporated  
Kansas City Power & Light Company  
Wolf Creek Nuclear Operating Corporation  
Kansas City Power & Light Receivables Company  
KCP&L, Inc. (Kansas)  
KCP&L, Inc. (Missouri)  
GPE Transmission Holding Company, LLC  
Transource Energy, LLC  
Transource New York Land Company, Inc.  
Transource Delaware, Inc.  
Transource Michigan, Inc.  
Transource Tennessee, Inc.  
Transource Virginia, Inc.  
Transource Missouri, LLC  
Transource Wisconsin, LLC  
Transource West Virginia, LLC  
Transource Indiana, LLC  
Transource Kansas, LLC  
Transource Kentucky, LLC  
Transource Projectco, LLC  
Transource Pennsylvania, LLC  
Transource Maryland, LLC  
Transource New York, LLC  
Transource Illinois LLC  
Transource New Jersey, LLC  
Transource North Carolina, LLC  
Transource Ohio, LLC  
Evergy Ventures, Inc.  
KCP&L Solar, Inc.  
KLT Investments Inc.  
KLT Gas Inc.  
FAR Gas Acquisitions Corporation  
Westar Energy, Inc.  
Kansas Gas & Electric Company  
Evergy Kansas Central Receivables Company  
Westar Generating, Inc.  
Westar Transmission, LLC

## **OTHER AFFILIATES**

Prairie Wind Transmission, LLC  
The Kansas Power & Light Company  
Westar Industries, Inc.  
Westar Investments, Inc.  
Westar Limited Partners, Inc.

5.4-3

## DIRECTORS AND SENIOR OFFICERS

### **Directors:**

Mark A. Ruelle  
Charles Q. Chandler IV  
Terry Bassham  
Mollie Hale Carter  
Gary D. Forsee  
Scott D. Grimes  
Richard L. Hawley  
Thomas D. Hyde  
B. Anthony Isaac  
Sandra A.J. Lawrence  
Ann D. Murtlow  
Sandra J. Price  
John J. Sherman  
S. Carl Soderstrom, Jr.

### **Senior Officers:**

Terry Bassham	President and Chief Executive Officer
Kevin E. Bryant	Executive Vice President, Chief Operating Officer
Anthony D. Somma	Executive Vice President, Chief Financial Officer
Gregory A. Greenwood	Executive Vice President, Strategy & Chief Administrative Officer
Jerl L. Banning	Senior Vice President, Chief People Officer
Charles A. Caisley	Senior Vice President, Marketing, Public Affairs & Chief Customer Officer
Heather A. Humphrey	Senior Vice President, General Counsel and Corporate Secretary
Lori A. Wright	Vice President, Corporate Planning, Investor Relations and Treasurer
James P. Gilligan	Assistant Treasurer

## **FINANCIAL STATEMENTS**

- Audited Consolidated Balance Sheets as of December 31, 2017 and 2016 and Audited Consolidated Statements of Comprehensive Income, Consolidated Statements of Cash Flows and Consolidated Statements of Common Shareholder's Equity for the years ended December 31, 2017, 2016 and 2015
- Unaudited Consolidated Financial Statements for the Three Months Ended March 31, 2018 and 2017
- Unaudited Consolidated Financial Statements for the Three Months Ended and Year to Date June 30, 2018 and 2017
- Unaudited Consolidated Financial Statements for the Three Months Ended and Year to Date September 30, 2018 and 2017

### **SCHEDULE 5.5 (to Note Purchase Agreement)**

**EXISTING INDEBTEDNESS**

(a) Obligor in each case is KCP&L Greater Missouri Operations Company, except as otherwise noted.

<u>Description</u>	<u>Obligee</u>	<u>Principal Amount Outstanding at December 31, 2018</u>
<b><u>Short-term debt</u></b>		
Collateralized Notes Payable	Victory Receivables Corp.	\$50,000,000
Commercial Paper <sup>(1)</sup>	Publicly held	\$150,000,000
Letters of credit issued under credit facility <sup>(1)</sup>	Various	\$2,126,796
<b><u>Long-term debt</u></b>		
First Mortgage Bonds, 9.44% Series <sup>(1) (2)</sup>	Publicly held	\$3,375,000
Senior Notes:		
8.27% Series <sup>(1)</sup>	Publicly held	\$80,850,000
3.49% Series A	Various	\$36,000,000
4.06% Series B	Various	\$60,000,000
4.74% Series C	Various	\$150,000,000
Medium Term Notes:		
7.33% Series <sup>(1)</sup>	Publicly held	\$3,000,000
7.17% Series <sup>(1)</sup>	Publicly held	\$7,000,000
Affiliated Notes Payable to Evergy, Inc.:		
4.97% Series	Evergy, Inc.	\$347,389,000
5.15% Series	Evergy, Inc.	\$287,500,000
<b><u>Capitalized Lease Obligations</u></b>		
Capitalized Transmission Line Lease	Associated Electric Cooperative, Inc.	\$1,457,279

<sup>(1)</sup> Guaranteed by Evergy, Inc.

<sup>(2)</sup> Secured by a mortgage lien on substantially all of the Company's Light & Power division utility plant.

(b) The Indenture of Mortgage and Deed of Trust, dated as of April 1, 1946, by St. Joseph Light & Power Company (predecessor to KCP&L Greater Missouri Operations Company) to Harris Trust

and Savings Bank, as supplemented, creates a mortgage lien on substantially all of the Company's St. Joseph Light & Power division utility plant.

The Receivables Sale Agreement, dated as of May 31, 2012, and as amended from time to time, among GMO Receivables Company (the "Seller"), KCP&L Greater Missouri Operations Company (the "Company"), The Bank of Tokyo-Mitsubishi UFJ Ltd., New York Branch (the "Agent") and Victory Receivables Corporation grants to the Agent a security interest in all Receivables, Related Security, Collections, the Collection Accounts and Lock-Boxes (as defined in such agreement) and all of the Seller's right, title and interest in, to and under the Purchase and Sale Agreement, dated as of May 31, 2012 and as amended from time to time, between the Seller and the Company.

(c) Section 5.1(n) of the Purchase and Sale Agreement, dated as of May 31, 2012, and as amended from time to time, between the Company and the Seller requires the Company to at all times cause the ratio of (i) Total Indebtedness to (ii) Total Capitalization (in each case as defined in such agreement and in each case measured as of the most recent fiscal quarter end) to be less than or equal to 0.65 to 1.0.

Section 7.15 of the Note Purchase Agreement, dated as of August 16, 2013, and as may be amended from time to time, between the Company and the respective purchasers named therein requires the Company to at all times cause (a) the ratio of (i) Total Indebtedness to (ii) Total Capitalization (as defined in such agreement and in each case measured as of the most recent fiscal quarter end) to be less than or equal to 0.65 to 1.0 and (b) Priority Debt to not exceed 15% of Consolidated Tangible Net Worth (in each case as defined in such agreement).

Section 8.6 of the Credit Agreement (as defined in this Agreement) requires the Company to at all times cause the ratio of (i) Total Indebtedness to (ii) Total Capitalization to be less than or equal to 0.65 to 1.0 (in each case as defined in such agreement and in each case measured as of the most recent fiscal quarter end).

## **EXISTING LIENS**

The Company's Indenture of Mortgage and Deed of Trust, dated as of April 1, 1946, as supplemented, creates a mortgage lien on substantially all of the fixed property and franchises of the Company's St. Joseph Light & Power division. Mortgage bonds totaling \$3,375,000 were outstanding under this Mortgage as of December 31, 2018.

The Company leases its South Harper generation facility and related transmission substation from the City of Peculiar, Missouri, pursuant to a sale-leaseback arrangement. The arrangement was a tax-advantaged financing under which the Company reduced its property taxes and construction-work-in-progress taxes.

### **SCHEDULE 10.5 (to Note Purchase Agreement)**

**KCP&L Greater Missouri Operations Company**

1200 Main Street  
Kansas City, MO 64105

**INFORMATION RELATING TO PURCHASERS**

Name and Address of Purchaser	Principal Amount of Notes to Be Purchased
[Name of Purchaser]	\$

(Securities to be registered in the name of [Name of Purchaser])

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) All notices and communications:

(3) Original notes delivered to:

(4) Taxpayer I.D. Number:

(5) Tax Jurisdiction:

(6) UK Passport Treaty Number (if applicable):

SCHEDULE B  
(to Note Purchase Agreement)

**FORM OF GUARANTY AGREEMENT**

[See attached]

**SCHEDULE C**

**(to Note Purchase Agreement)**

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FORM OF  
GUARANTY AGREEMENT

Dated as of

of

Evergy, Inc.

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## FORM OF GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT, dated as of (this “*Guaranty Agreement*”), is

made by Evergy, Inc., a Missouri corporation (the “*Guarantor*”) in favor of the Purchasers (as defined below) and the other holders from time to time of the Notes (as defined below). The Purchasers and such other holders are herein collectively called the “*holders*” and individually a “*holder*.”

### PRELIMINARY STATEMENTS:

I. KCP&L Greater Missouri Operations Company, a Delaware corporation (the “*Company*”), entered into a Note Purchase Agreement dated as of February 14, 2019 (as amended, modified, supplemented or restated from time to time, the “*Note Agreement*”) with the Persons listed on the signature pages thereto (the “*Purchasers*”). Capitalized terms used herein have the meanings specified in the Note Agreement unless otherwise defined herein.

II. The Company issued, pursuant to the Note Agreement, \$100,000,000 aggregate principal amount of 3.74% Senior Notes due March 1 2022 (the “*Initial Notes*”). The Initial Notes and any other Notes that may from time to time be issued pursuant to the Note Agreement (including any notes issued in substitution for any of the Notes) are herein collectively called the “*Notes*” and individually a “*Note*”.

III. Section 9.8 of the Note Agreement sets forth the conditions under which this Guaranty Agreement is to be executed by the Guarantor and delivered to the holders.

IV. The Guarantor will receive direct and indirect benefits from the financing arrangements contemplated by the Note Agreement. The [Board of Directors] of the Guarantor has determined that the incurrence of such obligations is in the best interests of the Guarantor.

NOW THEREFORE, in compliance with the Note Agreement, and in consideration of, the execution and delivery of the Note Agreement and the purchase of the Notes by each of the Purchasers, the Guarantor hereby covenants and agrees with, and represents and warrants to each of the holders as follows:

### SECTION 1. GUARANTY.

The Guarantor hereby irrevocably and unconditionally guarantees to each holder, the due and punctual payment in full of (a) the principal of, Make-Whole Amount, if any, and interest on (including, without limitation, interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), and any other amounts due under, the Notes when and as the same shall become due and payable (whether at stated maturity or by required or optional prepayment or by acceleration or otherwise) and (b) any other sums which may become due under the terms and provisions of the Notes or the Note Agreement (all such obligations described in clauses (a) and (b) above are herein called the “*Guaranteed*”

*Obligations*”). The guaranty in the preceding sentence is an absolute, present and continuing guaranty of payment and not of collectability and is in no way conditional or contingent upon any attempt to collect from the Company or any other guarantor of the Notes, if any, or upon any other action, occurrence or circumstance whatsoever. In the event that the Company shall fail to pay any of such Guaranteed Obligations, the Guarantor agrees to pay the same when due to the holders entitled thereto, without demand, presentment, protest or notice of any kind, in lawful money of the United States of America, pursuant to the requirements for payment specified in the Notes and the Note Agreement. Each default in payment of any of the Guaranteed Obligations shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises. The Guarantor agrees that the Notes issued in connection with the Note Agreement may (but need not) make reference to this Guaranty Agreement.

The Guarantor agrees to pay and to indemnify and save each holder harmless from and against any damage, loss, cost or expense (including attorneys’ fees) which such holder may incur or be subject to as a consequence, direct or indirect, of (x) any breach by the Guarantor or by the Company of any warranty, covenant, term or condition in, or the occurrence of any default under, this Guaranty Agreement, the Notes or the Note Agreement, together with all expenses resulting from the compromise or defense of any claims or liabilities arising as a result of any such breach or default, (y) any legal action commenced to challenge the validity or enforceability of this Guaranty Agreement, the Notes, the Note Agreement or any other instrument referred to therein and (z) enforcing or defending (or determining whether or how to enforce or defend) the provisions of this Guaranty Agreement.

Notwithstanding any provision to the contrary contained herein or in the Note Agreement or the Notes, the obligations of the Guarantor under this Guaranty Agreement, the Note Agreement and the Notes shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the federal bankruptcy laws or any comparable provision of any applicable state law.

The Guarantor hereby acknowledges and agrees that the Guarantor’s liability hereunder is joint and several with any other Person(s) who may guarantee the obligations and Indebtedness under and in respect of the Notes and the Note Agreement.

## **SECTION 2. OBLIGATIONS ABSOLUTE.**

The obligations of the Guarantor hereunder shall be primary, absolute, irrevocable and unconditional, irrespective of the validity or enforceability of the Notes, the Note Agreement or any other instrument referred to therein, shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim the Guarantor may have against the Company or any holder or otherwise, and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, any circumstance or condition whatsoever (whether or not the Guarantor shall have any knowledge or notice thereof), including, without limitation: (a) any amendment to, modification of, supplement to or restatement of the Notes or the Note Agreement (it being agreed that the obligations of the Guarantor hereunder shall apply to the Notes or the Note Agreement as so amended, modified, supplemented or restated) or any assignment or transfer of any thereof or of any interest therein, or any furnishing, acceptance or release of any security for

the Notes; (b) any waiver, consent, extension, indulgence or other action or inaction under or in respect of the Notes or the Note Agreement; (c) any bankruptcy, insolvency, arrangement, reorganization, readjustment, composition, liquidation or similar proceeding with respect to the Company or its property; (d) any merger, amalgamation or consolidation of the Guarantor or of the Company into or with any other Person or any sale, lease or transfer of any or all of the assets of the Guarantor or of the Company to any Person; (e) any failure on the part of the Company for any reason to comply with or perform any of the terms of any other agreement with the Guarantor; (f) any failure on the part of any holder to obtain, maintain, register or otherwise perfect any security; or (g) any other event or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor (whether or not similar to the foregoing), and in any event however material or prejudicial it may be to the Guarantor or to any subrogation, contribution or reimbursement rights the Guarantor may otherwise have. Except as provided in Section 9.8(b) of the Note Agreement, the Guarantor covenants that its obligations hereunder will not be discharged except by indefeasible payment in full in cash of all of the Guaranteed Obligations and all other obligations hereunder.

### **SECTION 3. WAIVER.**

The Guarantor unconditionally waives to the fullest extent permitted by law, (a) notice of acceptance hereof, of any action taken or omitted in reliance hereon and of any default by the Company in the payment of any amounts due under the Notes, the Note Agreement or any other instrument referred to therein, and of any of the matters referred to in Section 2 hereof, (b) all notices which may be required by statute, rule of law or otherwise to preserve any of the rights of any holder against the Guarantor, including, without limitation, presentment to or demand for payment from the Company or the Guarantor with respect to any Note, notice to the Company or to the Guarantor of default or protest for nonpayment or dishonor and the filing of claims with a court in the event of the bankruptcy of the Company, (c) any right to require any holder to enforce, assert or exercise any right, power or remedy including, without limitation, any right, power or remedy conferred in the Note Agreement or the Notes, (d) any requirement for diligence on the part of any holder and (e) any other act or omission or thing or delay in doing any other act or thing which might in any manner or to any extent vary the risk of the Guarantor or otherwise operate as a discharge of the Guarantor or in any manner lessen the obligations of the Guarantor hereunder.

### **SECTION 4. OBLIGATIONS UNIMPAIRED.**

The Guarantor authorizes the holders, without notice or demand to the Guarantor and without affecting its obligations hereunder, from time to time: (a) to renew, compromise, extend, accelerate or otherwise change the time for payment of, all or any part of the Notes, the Note Agreement or any other instrument referred to therein; (b) to change any of the representations, covenants, events of default or any other terms or conditions of or pertaining to the Notes, the Note Agreement or any other instrument referred to therein, including, without limitation, decreases or increases in amounts of principal, rates of interest, the Make-Whole Amount or any other obligation; (c) to take and hold security for the payment of the Notes, the Note Agreement or any other instrument referred to therein, for the performance of this Guaranty Agreement or otherwise for the Indebtedness guaranteed hereby and to exchange, enforce, waive, subordinate and release any such security; (d) to apply any such security and to direct the order or manner of sale thereof

as the holders in their sole discretion may determine; (e) to obtain additional or substitute endorsers or guarantors; (f) to exercise or refrain from exercising any rights against the Company and others; and (g) to apply any sums, by whomsoever paid or however realized, to the payment of the Guaranteed Obligations and all other obligations owed hereunder. The holders shall have no obligation to proceed against any additional or substitute endorsers or guarantors or to pursue or exhaust any security provided by the Company, the Guarantor or any other Person or to pursue any other remedy available to the holders.

If an event permitting the acceleration of the maturity of the principal amount of any Notes shall exist and such acceleration shall at such time be prevented or the right of any holder to receive any payment on account of the Guaranteed Obligations shall at such time be delayed or otherwise affected by reason of the pendency against the Company, the Guarantor or any other guarantors of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guaranty Agreement and its obligations hereunder, the maturity of such principal amount shall be deemed to have been accelerated with the same effect as if the holder thereof had accelerated the same in accordance with the terms of the Note Agreement, and the Guarantor shall forthwith pay such accelerated Guaranteed Obligations.

## **SECTION 5. SUBROGATION AND SUBORDINATION.**

(a) The Guarantor will not exercise any rights which it may have acquired by way of subrogation under this Guaranty Agreement, by any payment made hereunder or otherwise, or accept any payment on account of such subrogation rights, or any rights of reimbursement, contribution or indemnity or any rights or recourse to any security for the Notes or this Guaranty Agreement unless and until all of the Guaranteed Obligations shall have been indefeasibly paid in full in cash.

(b) The Guarantor hereby subordinates the payment of all Indebtedness of the Company and other obligations of the Company or any other guarantor of the Guaranteed Obligations that is, in each case, owing to the Guarantor, whether now existing or hereafter arising, including, without limitation, all rights and claims described in clause (a) of this Section 5, to the indefeasible payment in full in cash of all of the Guaranteed Obligations. If the Required Holders so request, any such Indebtedness or other obligations shall be enforced and performance received by the Guarantor as trustee for the holders and the proceeds thereof shall be paid over to the holders promptly, in the form received (together with any necessary endorsements) to be applied to the Guaranteed Obligations, whether matured or unmatured, as may be directed by the Required Holders, but without reducing or affecting in any manner the liability of the Guarantor under this Guaranty Agreement.

(a) If any amount or other payment is made to or accepted by the Guarantor in violation of any of the preceding clauses (a) and (b) of this Section 5, such amount shall be deemed to have been paid to the Guarantor for the benefit of, and held in trust for the benefit of, the holders and shall be paid over to the holders promptly, in the form received (together with any necessary endorsements) to be applied to the Guaranteed Obligations, whether matured or unmatured, as may be directed by the Required Holders, but without reducing or affecting in any manner the liability of the Guarantor under this Guaranty Agreement.

(d) The Guarantor acknowledges that it will receive direct and indirect benefits

from the financing arrangements contemplated by the Note Agreement and that its agreements set forth in this Guaranty Agreement (including this Section 5) are knowingly made in contemplation of such benefits.

#### **SECTION 6. REINSTATEMENT OF GUARANTY.**

This Guaranty Agreement shall continue to be effective, or be reinstated, as the case may be, if and to the extent at any time payment, in whole or in part, of any of the sums due to any holder on account of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by a holder upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company or any other guarantors, or upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Company or any other guarantors or any part of its or their property, or otherwise, all as though such payments had not been made.

#### **SECTION 7. RANK OF GUARANTY.**

The Guarantor will ensure that its payment obligations under this Guaranty Agreement will at all times rank at least *pari passu*, without preference or priority, with all other unsecured and unsubordinated Indebtedness of the Guarantor now or hereafter existing.

#### **SECTION 8. REPRESENTATIONS AND WARRANTIES OF THE GUARANTOR.**

The Guarantor represents and warrants to each holder as follows:

**SECTION 8.1. INCORPORATION; POWER AND AUTHORITY.** The Guarantor is a corporation, duly incorporated, validly existing and in good standing under the laws of its jurisdiction of Missouri and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Guarantor has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Guaranty Agreement and to perform the provisions hereof.

**SECTION 8.2. AUTHORIZATION, ETC.** This Guaranty Agreement has been duly authorized by all necessary corporate action on the part of the Guarantor, and this Guaranty Agreement constitutes a legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

**SECTION 8.3. GOVERNMENTAL AUTHORIZATIONS, ETC.** No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Guarantor of this Guaranty Agreement.

**SECTION 8.4. COMPLIANCE WITH LAWS, OTHER INSTRUMENTS, ETC.** The execution, delivery and performance by the Guarantor of this Guaranty Agreement will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Guarantor or any of its Subsidiaries under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, organizational documents, or any other agreement or instrument to which the Guarantor or any of its Subsidiaries is bound or by which the Guarantor or any of its Subsidiaries or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to the Guarantor or any of its Subsidiaries or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Guarantor or any of its Subsidiaries. “Governmental Authority” means (x) the government of (i) the United States of America or any State or other political subdivision thereof, or (ii) any other jurisdiction in which the Guarantor or any of its Subsidiaries conducts all or any part of its business, or which asserts jurisdiction over any properties of the Guarantor or any of its Subsidiaries, or (y) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

**SECTION 9. TERM OF GUARANTY AGREEMENT.**

This Guaranty Agreement and all guarantees, covenants and agreements of the Guarantor contained herein shall continue in full force and effect and shall not be discharged until (i) such time as all of the Guaranteed Obligations and all other obligations hereunder shall be indefeasibly paid in full in cash and shall be subject to reinstatement pursuant to Section 6 or (ii) terminated pursuant to Section 9.8(b) of the Note Agreement, provided that all claims and liabilities hereunder arising prior to the termination have been satisfied.

**SECTION 10. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.**

All representations and warranties contained herein shall survive the execution and delivery of this Guaranty Agreement and may be relied upon by any subsequent holder, regardless of any investigation made at any time by or on behalf of any Purchaser or any other holder. All statements contained in any certificate or other instrument delivered by or on behalf of the Guarantor pursuant to this Guaranty Agreement shall be deemed representations and warranties of the Guarantor under this Guaranty Agreement. Subject to the preceding sentence, this Guaranty Agreement and the Note Agreement embody the entire agreement and understanding between each holder and the Guarantor and supersedes all prior agreements and understandings relating to the subject matter hereof.

## **SECTION 11. NOTICES.**

All notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by a recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

(a) if to the Guarantor, to Evergy, Inc., 1200 Main Street, Kansas City, Missouri 64105, Attention: Lori A. Wright, Vice President, Corporate Planning, Investor Relations and Treasurer, or such other address as the Guarantor shall have specified to the holders in writing, or

(b) if to any holder, to such holder at the addresses specified for such communications set forth in Schedule A to the Note Agreement, or such other address as such holder shall have specified to the Guarantor in writing.

## **SECTION 12. MISCELLANEOUS.**

**SECTION 12.1. SUCCESSORS AND ASSIGNS.** All covenants and other agreements contained in this Guaranty Agreement by or on behalf of the Guarantor for the benefit of the holders bind and inure to the benefit of the Guarantor and the holders and their respective successors and assigns whether so expressed or not.

**SECTION 12.2. SEVERABILITY.** Any provision of this Guaranty Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law), not invalidate or render unenforceable such provision in any other jurisdiction.

**SECTION 12.3. CONSTRUCTION.** Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such express contrary provision) be deemed to excuse compliance with any other covenant. Whether any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

The section and subsection headings in this Guaranty Agreement are for convenience of reference only and shall neither be deemed to be a part of this Guaranty Agreement nor modify, define, expand or limit any of the terms or provisions hereof. All references herein to numbered sections, unless otherwise indicated, are to sections of this Guaranty Agreement. Words and definitions in the singular shall be read and construed as though in the plural and *vice versa*, and words in the masculine, neuter or feminine gender shall be read and construed as though in either of the other genders where the context so requires.

**SECTION 12.4. FURTHER ASSURANCES.** The Guarantor agrees to execute and deliver all such instruments and take all such action as the Required Holders may from time to time reasonably request in order to effectuate fully the purposes of this Guaranty Agreement.

**SECTION 12.5. GOVERNING LAW.** This Guaranty Agreement shall be construed and enforced in accordance with, and the rights of the Guarantor and the holders shall be governed by, the law of the State of New York, excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

**SECTION 12.6. JURISDICTION AND PROCESS; WAIVER OF JURY TRIAL.**

(a) The Guarantor irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Guaranty Agreement. To the fullest extent permitted by applicable law, the Guarantor irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Guarantor consents to process being served by or on behalf of any holder in any suit, action or proceeding of the nature referred to in Section 12.6(a) hereof by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, return receipt requested, to it at its address specified in the Note Agreement or at such other address of which such holder shall then have been notified pursuant to Section 18 of the Note Agreement. The Guarantor agrees that such service upon receipt (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(c) Nothing in this Section 12.6 shall affect the right of any holder to serve process in any manner permitted by law, or limit any right that the holders may have to bring proceedings against the Guarantor in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(d) THE GUARANTOR AND THE HOLDERS HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS GUARANTY AGREEMENT OR OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty Agreement to be duly executed and delivered as of the date and year first above written.

EVERGY, INC.

By: \_\_\_\_\_

Name:

Title:

## CHANGE IN CONTROL SEVERANCE AGREEMENT

THIS CHANGE IN CONTROL SEVERANCE AGREEMENT is dated as of \_\_\_\_\_, between Evergy, Inc., a Missouri corporation (“Evergy”), and \_\_\_\_\_ (“Executive”).

**RECITALS**

A. Executive is a valued employee of Evergy or a subsidiary thereof (collectively, the “Company”).

B. The Board believes that it is in the best interests of the Company and its shareholders (i) to provide assurance that the Company will have the continued service of Executive notwithstanding the possibility, threat or occurrence of a Change in Control, (ii) to diminish the distraction to Executive that may arise by virtue of the personal uncertainties and risks created by such a threatened or pending Change in Control and (iii) to encourage Executive’s full attention and dedication to the Company currently and in the event of a threatened or pending Change in Control.

**AGREEMENT**

In consideration of the premises and the mutual agreements contained herein, the parties hereto agree as follows:

1. **Certain Definitions.** As used in this Agreement, unless otherwise defined herein or unless the context otherwise requires, the following terms shall have the following meanings:

**Agreement.** “Agreement” means this Change in Control Severance Agreement as amended from time to time.

**Beneficial Owner.** “Beneficial Owner” shall have the same meaning as set forth in Rule 13d-3 of the Exchange Act.

**Board.** “Board” means the Board of Directors of Evergy, Inc.

**Cause.** “Cause” means (i) fraud, embezzlement or material misappropriation of any of the Company’s funds, Confidential Information or property; (ii) indictment for or the conviction of, or the entering of a guilty plea or plea of no contest with respect to, a felony, or the equivalent thereof, or a misdemeanor involving fraud, embezzlement, theft, misappropriation or failure to be truthful; (iii) any willful action or omission by Executive that (I) (A) would constitute grounds for immediate dismissal under any employment policy of the Company, (B) is a material violation of such policy and (C) in the determination of the Committee, could result in damage, liability or reputational harm to the Company, including use of illegal drugs while on the premises of the Company, or (II) is a violation of sexual harassment laws or the internal sexual harassment policy of the Company; (iv) gross negligence or willful misconduct in performance of Executive’s duties or in following reasonable instructions of the Board or (v) any material breach or violation of any material provision of the restrictive covenants set forth in Section 7.

Change in Control. “Change in Control” means the occurrence of one of the following events, whether in a single transaction or a series of related transactions:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Evergy (not including in the securities beneficially owned by such Person any securities acquired directly from Evergy or its affiliates in connection with the acquisition by Evergy or its affiliates of a business) representing 35% or more of either the then outstanding shares of common stock of Evergy or the combined voting power of Evergy’s then outstanding securities, other than any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Evergy, as such terms are used in Rule 14a-11 of Regulation 14A under the Exchange Act) whose appointment or election by the Board or nomination for election by Evergy’s stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved; or

(iii) the consummation of a merger, consolidation, reorganization or similar corporate transaction of Evergy, whether or not Evergy is the surviving corporation in such transaction, other than (A) a merger, consolidation or reorganization that would result in the voting securities of Evergy outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company, at least 60% of the combined voting power of the voting securities of Evergy or such surviving entity or any parent thereof outstanding immediately after such merger, consolidation or reorganization, or (B) a merger, consolidation or reorganization effected to implement a recapitalization of Evergy (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Evergy (not including in the securities Beneficially Owned by such Person any securities acquired directly from Evergy or its affiliates in connection with the acquisition by Evergy or its affiliates of a business) representing 20% or more of either the then outstanding shares of common stock of Evergy or the combined voting power of Evergy’s then outstanding securities; or

(iv) the occurrence of, or the stockholders of Evergy approve a plan of, a complete liquidation or dissolution of Evergy or an agreement for the sale or disposition by Evergy of all or substantially all of Evergy’s assets, other than a sale or disposition of all or substantially all of Evergy’s assets to an entity, at least 60% of the combined voting power of the voting securities of which are owned by Persons in substantially the same proportions as their ownership of Evergy immediately prior to such sale.

Notwithstanding the foregoing, no “Change in Control” shall be deemed to have occurred if there is consummated any transaction or series of integrated transactions immediately following which the record holders of the common stock of Evergy immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of Evergy immediately following such transaction or series of transactions.

Change in Control Period. “Change in Control Period” means the period commencing on the date of this Agreement and ending on first anniversary of the day the Company provides written notice to Executive that the Change in Control Period shall end, in which event the Change in Control Period shall end on the first anniversary of the day the Company provides such written notice to Executive; provided, further that during any period of time when the Board or the governing body of Evergy has knowledge that any person has taken steps reasonably calculated to effect a Change in Control, no notice of the termination of the Change in Control Period may be provided to Executive until, in the opinion of the Board, such person has abandoned or terminated its efforts to effect a Change in Control.

Committee. “Committee” means the Compensation and Leadership Development Committee of the Board.

Company. “Company” means, except as the context requires otherwise, collectively, Evergy, Inc., its successors and assigns and any subsidiary thereof, as applicable.

Confidential Information. “Confidential Information” means: (1) any and all trade secrets concerning the business and affairs of the Company; product specifications; data; know-how; formulae; algorithms; compositions; processes; designs; sketches; photographs; graphs; drawings; samples; inventions and ideas; past, current and planned research and development; current and planned manufacturing or distribution methods and processes; customer lists; current and anticipated customer requirements; price lists; market studies; business plans; computer software and programs (including object code and source code); computer software and database technologies; systems; structures; and architectures; (2) information concerning the business and affairs of the Company (which includes historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, personnel training and techniques and materials) and (3) notes, analyses, compilations, studies, summaries and other material prepared by or for the Company containing or based, in whole or in part, or any information included in the foregoing, whether reduced to writing or not and which has not become publicly known or made generally available through no wrongful act of Executive or others who were under confidentiality obligations as to the item or items involved.

Date of Termination. “Date of Termination” means (i) if Executive’s employment is terminated by the Company for Cause, or by Executive for Good Reason, the date of receipt of the Notice of Termination or any later date permitted to be specified therein, as the case may be, (ii) if Executive’s employment is terminated by the Company other than for Cause or Disability, the Date of Termination shall be the date on which the Company notifies Executive of such termination, (iii) if Executive’s employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of Executive or the Disability Effective Date (as defined in Section 2(a)), as the case may be and (iv) if Executive’s employment is terminated by Executive for other than Good Reason, the Date of Termination shall be the date on which Executive notifies the Company in writing of such termination or any later date permitted to be specified therein, as the case may be.

Disability or Disabled. The term “Disability” or “Disabled” shall mean an individual (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (ii) is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous

period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than 3 months under a Company-sponsored accident or health plan.

Effective Date. “Effective Date” means the first date on which a Change in Control occurs during the Change in Control Period.

Exchange Act. “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

Good Reason. “Good Reason” means, without Executive’s written consent, any of the following:

(i) Any material and adverse reduction or material and adverse diminution in Executive’s position (including status, offices, titles and reporting requirements), authority, duties or responsibilities held, exercised or assigned at any time during the 90-day period immediately preceding the commencement of the Pre-CIC Protected Period;

(ii) Any reduction in Executive’s annual base salary as in effect immediately preceding the commencement of the Pre-CIC Protected Period or as the same may be increased from time to time;

(iii) Any material reduction in the aggregate benefits received by Executive under Company Plans (as defined below) to less than the most favorable benefits provided to Executive by the Company under Company Plans at any time during the 90-day period immediately preceding the commencement of the Pre-CIC Protected Period. “Company Plans” means (1) all incentive, savings, retirement, welfare benefit and fringe benefit plans, practices, policies and programs sponsored or maintained by the Company, (2) any expense reimbursement plan or policy of the Company for all reasonable out-of-pocket employment expenses incurred by Executive and (3) the provision of paid vacation time by the Company;

(iv) Executive being required by the Company to be based at any office or location that is more than 70 miles from the location where Executive was employed immediately preceding the commencement of the Pre-CIC Protected Period; or

(v) Any failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place, or any failure by any such successor after ten (10) days’ notice from Executive to so perform under this Agreement.

Provided, however, notwithstanding the occurrence of any of the events set forth above in this definition, Good Reason shall not exist unless: (1)(A) within 90 days from Executive first acquiring actual knowledge of the existence of the Good Reason condition described in this definition, Executive provides Company written notice of Executive’s intention to terminate employment for Good Reason, which shall include the specific termination provision in this Agreement relied upon and a reasonably detailed description of the facts and circumstances claimed to support the existence of Good Reason for termination; (B) such grounds for termination (if susceptible to correction) are not corrected by Company within 45 days of Company’s receipt of such notice (or, in the event that such grounds cannot be corrected within such 45-day period, Company has not taken all reasonable

steps within such 45-day period to correct such grounds as promptly as practicable thereafter) and (C) Executive terminates his services with Company immediately following expiration of such 45-day period, which shall include Executive's delivery to Board of a Notice of Termination.

Provided further, notwithstanding the occurrence of any of the events set forth above in this definition, Good Reason shall not exist, if occurring within the Pre-CIC Protected Period, any reduction in Executive's base annual salary or reduction in benefits received by Executive where such reduction is in connection with a company-wide reduction in salaries or benefits.

For purposes of this Agreement, any attempt by Company to correct a stated Good Reason shall not be deemed an admission by Company that Executive's assertion of Good Reason is valid.

Notice of Termination. "Notice of Termination" means a written notice of termination that (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated and (iii) if the Date of Termination is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen (15) days after the giving of such notice), unless another date is mutually agreed upon between Executive and the Company.

Person. "Person" has the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (1) Evergy or any of its subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its subsidiaries, (3) an underwriter temporarily holding securities pursuant to an offering of such securities or (4) a corporation owned, directly or indirectly, by the stockholders of Evergy in substantially the same proportions as their ownership of stock of Evergy.

Post-Effective Period. "Post-Effective Period" means the period commencing on the Effective Date and ending on the second anniversary of such date.

Pre-CIC Protected Period. "Pre-CIC Protected Period" means the period that is within the Change in Control Period and begins when (A) Evergy enters into an agreement, the consummation of which would result in the occurrence of a Change in Control; (B) Evergy or any Person publicly announces an intention to take or to consider taking actions which, if consummated, would constitute a Change in Control; (C) any Person becomes the Beneficial Owner, directly or indirectly, of voting securities of Evergy representing 10% or more of the combined voting power of Evergy's then outstanding voting securities or (D) the Board, the members or the stockholders of Evergy adopts a resolution approving any of the foregoing or approving any Change in Control, and ends upon the date the Change in Control transaction is either consummated, abandoned or terminated (for this purpose, the Board shall have the sole and absolute discretion to determine that a proposed transaction has been abandoned).

## 2. Termination of Employment During the Post-Effective Period.

(a) Death or Disability. Executive's employment shall terminate automatically upon Executive's death or, with written notice by the Company of its intention to terminate Executive's employment, upon Executive's Disability. In such event, Executive's employment with the Company shall terminate effective on the 90th day after receipt of such notice by Executive (the "Disability Effective Date"), provided that within the 90 days after such receipt Executive shall not have returned to full-time performance of Executive's duties.

(b) Cause. The Company may terminate Executive's employment at any time for Cause or without Cause. Notwithstanding the foregoing, Executive shall not be deemed to have been terminated for Cause without (i) reasonable notice to Executive setting forth the reasons for the Company's intention to terminate for Cause, (ii) an opportunity for Executive, together with his or her counsel, to be heard before the Board within fifteen (15) days of such notice and (iii) delivery to Executive of a Notice of Termination from the Board finding that, in the good faith opinion of the Board, that Executive was guilty of conduct set forth in the definition of Cause, and specifying the particulars thereof in reasonable detail. Further, Executive shall not be deemed to have been terminated for Cause with respect to the conduct described in clauses (iv) or (v) of the definition of Cause unless, in addition to all requirements in this Section 2(b), Executive has (y) been provided a reasonable period to remedy any such negligence, misconduct or breach, with such reasonable period to be determined at Company's sole discretion and (z) failed to sufficiently remedy the negligence, misconduct or breach within the reasonable period provided.

(c) Executive Resignation. Executive's employment may be terminated at any time by Executive for Good Reason or without Good Reason.

(d) Notice of Termination. Any termination by the Company for Cause, or by Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company hereunder or preclude Executive or the Company from asserting such fact or circumstance in enforcing Executive's or the Company's rights hereunder.

### 3. Obligations of the Company Upon Termination of Employment.

(a) Post-Effective Period Terminations Other Than for Cause, Death or Disability; Post-Effective Period Executive Resignation. If, during the Post-Effective Period, the Company shall terminate Executive's employment other than (I) for Cause or (II) on account of Executive's death or Disability, or Executive shall terminate employment for Good Reason, and subject to satisfaction of the release requirements described in Section 8, the Company shall pay to Executive, in a lump-sum cash payment made within 30 days following the Date of Termination, as compensation for services rendered to the Company, an amount equal to the aggregate of the following amounts set forth below in Sections 3(a)(i), (ii), (iii) and (iv).

(i) A cash amount equal to the sum of:

(A) Executive's full annual base salary from the Company and its affiliated companies through the Date of Termination, to the extent earned but not theretofore paid;

(B) any bonus earned with respect to the fiscal year of the Company immediately preceding the fiscal year in which the Change in Control (or if benefits are payable pursuant to Section 3(c), the Date of Termination) occurs under a Company-sponsored annual incentive compensation plan, to the extent not theretofore paid;

(C) a bonus in an amount at least equal to the target incentive award payable pursuant to any Company-sponsored annual incentive compensation plan, to Executive by the Company and its affiliated companies with respect to the fiscal year of the Company in which the Change in Control (or if benefits are payable pursuant to Section 3(c), the Date of Termination) occurs, multiplied by a fraction, the numerator of which is the number of days in the fiscal year in which the Date of Termination occurs through the Date of

Termination and the denominator of which is 365 or 366, as applicable, to the extent not theretofore paid; and

(D) any accrued unpaid vacation pay;

(ii) a cash amount equal to (A) [ ]<sup>1</sup> times Executive's highest annual base salary from the Company and its affiliated companies in effect during the twelve (12)-month period prior to the Date of Termination, plus (B) [ ]<sup>1</sup> times Executive's average annualized annual incentive compensation awards, paid, or, but for a deferral under a Company-sponsored deferred compensation program, would have been paid, to Executive by the Company and its affiliated companies during the five fiscal years of the Company (or if Executive shall have performed services for the Company and its affiliated companies for four fiscal years or less, the years during which Executive performed services) immediately preceding the fiscal year in which the Change in Control (or if benefits are payable pursuant to Section 3(c), the Date of Termination) occurs; provided further that any amount paid pursuant to this Section 3(a) (ii) shall be paid in lieu of any other amount of severance pay to be received by Executive upon termination of employment of Executive under any severance plan, policy or arrangement of the Company;

(iii) a cash amount equal to:

(A) if, on the Date of Termination Executive is a participant in an Applicable Defined Benefit Plan, the present value (as of the Date of Termination) of the excess of (i) the monthly benefit (payable as of the Date of Termination) under the Applicable Defined Benefit Plan and, if any, Applicable SERP assuming (1) that Executive is fully vested with respect to such benefit, (2) such benefit is computed as if Executive had [ ]<sup>1</sup> additional year[s] of Service Credit (as defined below) under such Applicable Defined Benefit Plan and Applicable SERP and Executive is [ ]<sup>1</sup> years older than Executive's actual age on the Date of Termination, over (ii) the monthly benefit (payable as of the Date of Termination) that the Executive would have received under the same such Applicable Defined Benefit Plan and Applicable SERP. The present value of the excess utilizes a discount rate and mortality table no less favorable to the Executive than those in effect under the Applicable Defined Benefit Plan or Applicable SERP immediately prior to the Change in Control, or

(B) if, on the Date of Termination Executive is not a participant in an Applicable Defined Benefit Plan but is a participant in an Applicable Cash Balance Plan, the excess of (i) the Executive's Cash Balance Account and the corresponding notional account in, if any, an Applicable SERP (determined as of the Date of Termination), assuming (1) that Executive is fully vested with respect to such benefits, and (2) such applicable monthly contribution/pay credits are computed and added to the Cash Balance Account under the terms of the Applicable Cash Balance Plan and any Applicable SERP as if Executive's employment had continued for [ ]<sup>1</sup> additional year[s], taking into account Executive's age during the additional period for purposes of such account credits and based on earnings, salary or wage (as applicable under the Applicable Cash Balance Plan and Applicable SERP) in effect as of the Date of Termination, over (ii) the Executive's Cash Balance Account and the corresponding notional account in an Applicable SERP determined as of the Date of Termination; or

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<sup>1</sup> For existing officers, this amount will be 2x. For future vice presidents, this amount will be 1x; for future executive vice presidents or senior vice presidents, this amount will be 2x; and for future chief executive officers this amount will be 3x.

(C) if, on the Date of Termination Executive is not a participant in an Applicable Defined Benefit Plan or an Applicable Cash Balance Plan, an amount equal to [ ]<sup>1</sup> times the annual amount of all employer contributions (nonelective and/or matching contributions) that would have been contributed to Executive's account under the terms of the Applicable 401(k) Plan under such plan's employer nonelective and employer matching contribution formulas in effect on the Date of Termination and assuming (1) Executive had personally deferred the maximum amount of compensation permissible under IRC Section 402(g), and (2) Executive's total compensation for purpose of this clause (C) is the IRC Section 401(a)(17) compensation in effect as of the Date of Termination.

For purposes of this Section 3(a)(iii) the following terms shall have the following meanings:

"Applicable 401(k) Plan" means the 401(k) savings plan sponsored by the Company or its affiliates in which Executive is an active participant as of his or her Date of Termination.

"Applicable Defined Benefit Plan" means the defined benefit pension plan sponsored by the Company or its affiliates in which Executive is an active participant in the (FAE) portion of such plan as of his or her Date of Termination.

"Applicable SERP" means either the supplemental retirement plan or retirement benefit restoration plan sponsored by the Company or its affiliates in which Executive is an active participant as of his or her Date of Termination.

"Cash Balance Account" means the notional account maintained under the pension plan sponsored by the Company or its affiliates to record cash balance plan benefits.

"Applicable Cash Balance Plan" means the pension plan sponsored by the Company or its affiliates in which Executive is an active participant in the cash balance portion of such plan as of his or her Date of Termination.

"Service Credit" means the applicable measuring unit used for counting service for benefits under the terms of the Applicable Defined Benefit Plan (e.g., "Years of Accredited Service," "Years of Credited Service"), or the Applicable SERP.

Executive shall be entitled to the cash amount calculated under only one of the subsections (A), (B) or (C) of this Section 3(a)(iii). In no event shall the foregoing portions of this Section 3(a)(iii) result in Executive having Service Credit in excess of any maximum Service Credit limit that is otherwise stated under the terms of the Applicable Pension Plan.

(iv) if on the Date of Termination Executive shall not be fully vested in the matching employer contributions made on Executive's behalf under any deferred compensation plan or defined contribution plan sponsored by the Company or one of its subsidiaries and in which Executive participates, a cash amount equal to the value of the unvested portion of such matching employer contributions; and

(v) a cash amount equal to [ ]<sup>1</sup> times the "total (Employer- and Executive-paid portions)" annual premium cost to cover the Employee and his or her eligible dependents, if any and if applicable, under Company's health, vision, dental, accident, disability and life insurance

plans in effect as of the Date of Termination; provided that such amount will include the “total” premium cost to cover Executive’s eligible dependents if, and only to the extent that, such dependents were enrolled in a health, vision, dental, accident, disability or life insurance plan sponsored by the Company before the Date of Termination. This Section 3(a)(iv) shall not affect Executive’s and his or her dependents’ right to elect continuation coverage of insurance benefits as permitted by law, including pursuant to Code Section 4980B or any applicable state statute mandating health insurance continuation coverage.

(b) Termination for Cause, Disability, Death or Other than for Good Reason. If at any time during the Change in Control Period Executive’s employment shall be terminated for Cause, Executive’s employment is terminated due to Executive’s death or Disability, Executive terminates employment other than for Good Reason or Executive fails to or refuses to satisfy the release requirements described in Section 8, this Agreement shall terminate without further obligation of the Company to Executive other than (i) the obligation to pay to Executive his or her base salary through the Date of Termination, any incentive bonus and other compensation, payments and benefits for the most recently completed fiscal year and any accrued vacation pay, to the extent theretofore unpaid, which amounts shall be paid to Executive in a lump sum in cash within thirty (30) days of the Date of Termination and (ii) the obligation to pay to Executive all amounts or benefits to which Executive is entitled for the period prior to the Date of Termination under any plan, program, policy, practice, contract or agreement of the Company (excluding amounts otherwise required to be paid under this Section 3(b)), at the time such amounts or benefits are due.

(c) Certain Terminations During Pre-CIC Protected Period. If, during the Pre-CIC Protected Period, Executive’s employment is terminated by the Company other than for Cause or Executive terminates his or her employment for Good Reason, then Executive shall be entitled to receive the same benefits he or she would be entitled to receive under Section 3(a) if such termination of employment would have occurred during the Post-Effective Period. Any benefits or payments to be paid pursuant to this Section 3(c) shall be paid in a lump-sum payment and, subject to Section 3(d), within thirty (30) days following the termination of Executive’s employment.

(d) Payments to Executive Following Termination. If (i) Executive is a “specified employee,” as defined in Code section 409A(a)(1)(B)(i), and (ii) Executive’s employment is terminated, either by Executive or by the Company, due to any reason, other than Executive’s death, then, notwithstanding Sections 3(a) or 3(c) of this Agreement, Executive shall not receive any payment pursuant to Sections 3(a) or 3(c) until the first business day after six full months after Executive’s Date of Termination.

#### 4. Section 280G

(a) Notwithstanding any other provision of this Agreement, if it shall be determined that any payment or distribution by the Company or its affiliated companies to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or provided under other plans, agreements or arrangements) constitute Parachute Payments that would subject Executive to tax under Section 4999 of the Code, the Company shall direct the Accounting Firm to determine whether Executive will receive the total Parachute Payments or the Reduced Amount. Executive will receive the Reduced Amount if the Reduced Amount results in equal or greater Net After Tax Receipts than the Net After Tax Receipts that would result from Executive receiving the total Parachute Payments. Executive will receive the total Parachute Payments, and Executive will be responsible for the payment of any tax under Section 4999 of the Code, if the total Parachute Payments results in greater Net After Tax Receipts than would result from Executive receiving the Reduced Amount.

(b) Within fifteen (15) business days of the Company's direction the Accounting Firm shall provide the Company and Executive its detailed supporting calculations for its determination of whether, in accordance with Section 4(a), Executive should receive the Reduced Amount or the total Parachute Payments. If the Accounting Firm determines that the total Parachute Payments should be reduced to the Reduced Amount, the Accounting Firm shall furnish Executive with a written opinion that failure to report liability for tax under Section 4999 of the Code would not result in the imposition of a negligence or similar penalty.

(c) If the Accounting Firm determines that the total Parachute Payments should be reduced to the Reduced Amount, then the total Parachute Payments shall be adjusted by first reducing the amount of any Parachute Payments that are not subject to Section 409A of the Code (with the source of the reduction to be directed by Executive) and then by reducing the amount of any Parachute Payments that are subject to Section 409A of the Code (with the source of the reduction to be directed by Executive) in a manner that results in the best economic benefit to Executive (or, to the extent economically equivalent, in a pro rata manner).

(d) As provided in Section 4(a), it is the intention of the Company and Executive to reduce the total Parachute Payments under this Agreement and any other plan, agreement or arrangement only if the aggregate Net After Tax Receipts to Executive would thereby be increased. As a result of the uncertainty in the application of Sections 280G and 4999 of the Code at the time of the initial determination by the Accounting Firm, however, it is possible that amounts will have been paid or distributed to or for the benefit of Executive which should not have been so paid or distributed (an "Overpayment") or that additional amounts which shall not have been paid or distributed to or for the benefit of Executive should have been so paid or distributed (an "Underpayment"), in each case, consistent with the calculation of the Reduced Amount. If the Accounting Firm, based either upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive which the Accounting Firm believes has a high probability of success or controlling precedent or other substantial authority, determines that an Overpayment has been made, any such Overpayment must be treated (if permitted by applicable law) for all purposes as a loan *ab initio* for which Executive must repay the Company together with interest at the applicable federal rate under Section 7872(f)(2) of the Code; provided, however, that no such loan may be deemed to have been made and no amount shall be payable by Executive to the Company if and to the extent that such deemed loan and payment would not either reduce the amount on which Executive is subject to tax under Section 4999 of the Code or generate a refund of such taxes. If the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, the Accounting firm must promptly notify the Company of the amount of the Underpayment and such amount, together with interest at the applicable federal rate under Section 7872(f)(2) of the Code, must be paid to Executive.

(e) For purposes of this Agreement, the following terms have the indicated definitions:

(i) "Accounting Firm" means an independent registered public accounting firm selected by the Company that is not also the Company's then current accounting firm for annual audit purposes and that is not a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) "Net After Tax Receipt" means the present value (determined in accordance with Section 280G(d)(4) of the Code and the regulations thereunder) of the total Parachute Payments or Reduced Amount, as applicable, net of all taxes imposed on Executive with respect thereto under Sections 1, 3121 and 4999 of the Code, determined by applying the highest marginal rate under Section 1 of the Code.

(iii) "Parachute Payment" means a payment (under this Agreement or provided under other plans, agreements or arrangements) that is described in Section 280G(b)(2) of the Code, determined in accordance with Section 280G of the Code and the regulations thereunder.

(iv) "Reduced Amount" means the largest amount of Parachute Payments that is less than the total Parachute Payments and that may be paid to Executive without subjecting Executive to tax under Section 4999 of the Code.

(f) All fees and expenses of the Accounting Firm shall be paid solely by the Company.

(g) Any determination by the Accounting Firm under this Section 4 shall be binding upon the Company and Executive.

5. Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts that are vested benefits or that Executive is otherwise entitled to receive at or subsequent to the Date of Termination under any plan, policy, practice or program of or any contract or agreement with the Company shall be payable in accordance with such plan, policy, practice or program or contract or agreement, except as explicitly modified by this Agreement.

6. Full Settlement; Resolution of Disputes.

(a) Except where Executive's employment is terminated for Cause, the Company's obligation to make any payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. Subject to Executive's agreement to repay certain fees and expenses as provided below in Section 6(b), the Company shall pay promptly as incurred, to the full extent permitted by law, all legal fees and expenses that Executive may reasonably incur as a result of any dispute or contest (regardless of the outcome thereof) by the Company, Executive or others of the validity or enforceability of, or the existence of liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at one hundred twenty percent (120%) of the Federal Mid-Term Rate under Section 1274(d) of the Code.

(b) If there shall be any dispute or contest between the Company and Executive (i) in the event of any termination of Executive's employment by the Company, whether such termination was for Cause, or (ii) in the event of any termination of employment by Executive, whether Good Reason existed, then in either case the resolution of such dispute or contest shall be finally determined by arbitration, which may be initiated by either the Company or Executive, pursuant to the Federal Arbitration Act in accordance with the rules then in force of the American Arbitration Association. The arbitration proceedings shall take place in Kansas City, Missouri or such other location as the parties in dispute hereafter may agree upon; and such proceedings will be conducted in the English language and shall be governed by the laws of the State of Missouri as such laws are applied to agreements between residents of the State entered into and to be performed entirely within the State. There shall be one arbitrator, as shall be agreed upon by the parties in dispute, who shall be an individual skilled in the legal and business aspects of the subject matter of this

Agreement and of the dispute. In the absence of such agreement, each party in dispute shall select one arbitrator and the arbitrators so selected shall select a third arbitrator. In the event the arbitrators cannot agree upon the selection of a third arbitrator, such third arbitrator shall be appointed by the American Arbitration Association at the request of any of the parties in dispute. The arbitrators shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement and of the dispute. The decision rendered by the arbitrator or arbitrators shall be accompanied by a written opinion in support thereof. Such decision shall be final and binding upon the parties in dispute without right of appeal, it being the intent of the parties that such decision, and, irrespective of any contrary provision of the laws of the State respecting rights of appeal, such decision may not be appealed. The burden of proving that Executive is not entitled to receive the amounts and the benefits contemplated by this Agreement shall be on the Company.

(c) In the event of such an arbitration and provided that Executive shall repay the following amounts, fees and expenses if the final and binding decision of the arbitrator(s) is that Executive's termination was for Cause or that Good Reason did not exist for termination of employment by Executive, (i) Evergy shall advance to Executive all legal fees and expenses that Executive may reasonably incur as a result of any such action, and (ii) if a final and binding decision of the arbitrator(s) is not obtained by the six-month anniversary of the date the Company or Executive first provided notice to the other party of the dispute or contest (the "Dispute Notice"), Evergy shall pay all amounts, and provide all benefits, to Executive and/or Executive's family or other beneficiaries, as the case may be, that Evergy would be required to pay or provide pursuant to Sections 3(a) or 3(c) if such termination were by the Company without Cause or by Executive with Good Reason. If the final and binding decision of the arbitrator(s) is that Executive's termination was not for Cause or that Good Reason did exist for such termination by Executive then, (I) if such decision is before the six-month anniversary of the receipt of the Dispute Notice, Executive shall receive all payments and benefits contemplated by this Agreement, plus interest on any delayed payment or benefit at one hundred twenty percent (120%) of the Federal Mid-Term Rate under Section 1274(d) of the Code or (II) if such decision is after the six-month anniversary of the receipt of the Dispute Notice such that all payments and benefits contemplated by this Agreement have already been paid, Executive shall receive interest (calculated in the same manner as set forth above) for the six-month period the payments and provision of benefits were delayed. In no event may the arbitrator or arbitrators award any other damages or award of any kind. Notwithstanding the foregoing, nothing in this Agreement is intended to, or shall be construed as, affecting the rights and obligations of Executive and the Company to submit any dispute (other than such disputes contemplated by, and resolved in accordance with Sections 6(b) and 6(c)) to the appropriate dispute resolution process in accordance with any applicable dispute resolution plan intended to provide a procedural mechanism, whether exclusive or non-exclusive, for the resolution of any and all disputes between the Company and its present or former employees.

(d) Nothing in this Section 6 or the following Section 7 shall preclude Executive from filing a charge of discrimination, or participating in an investigation, with the Equal Employment Opportunity Commission or comparable agency. However, Executive shall not and will not seek or accept any personal benefit from the Company, whether in monetary or other form, as part of or related to any proceeding initiated by any other person, agency or other governmental body of the United States or any other jurisdiction.

## 7. Restrictive Covenants.

(a) Nondisclosure of Confidential Information. Executive shall hold in confidence for the benefit of the Company all Confidential Information. Executive agrees that Executive will not disclose any Confidential Information to any person or entity other than the Company and those designated by it, either during or subsequent to Executive's employment by the Company, nor will Executive use any Confidential Information, except (i) in the regular course of Executive's employment by the Company, without the prior written consent of the Company or (ii) as may otherwise be required by law or legal process.

(b) Actions Upon Termination; Assistance with Claims. Upon Executive's employment termination for whatever reason, Executive shall neither take or copy nor allow a third party to take or copy, and shall deliver to the Company all property of the Company, including, but not limited to, all Confidential Information regardless of the medium (i.e., hard copy, computer disk, CD ROM, USB flash drive, email or external hard drive) on which the information is contained. During and after Executive's employment by the Company, Executive will provide reasonable assistance to the Company in the defense of any claims or potential claims that may be made or threatened to be made against the Company in any action, suit or proceeding, whether civil, criminal, administrative or investigative ("Proceeding") and will provide reasonable assistance to the Company in the prosecution of any claims that may be made by the Company in any Proceeding, to the extent that such claims may relate to Executive's employment by the Company. For the avoidance of doubt, reasonable assistance would not include Executive being required to provide information that could reasonably result in criminal or civil charges or penalties being assessed or imposed against Executive in his or her individual capacity. Executive shall, unless precluded by law, promptly inform the Company if Executive is asked to participate (or otherwise become involved) in any Proceeding involving such claims or potential claims. Executive also shall, unless precluded by law, promptly inform the Company if Executive is asked to assist in any investigation (whether governmental or private) of the Company (or its actions), regardless of whether a lawsuit has then been filed against the Company with respect to such investigation. The Company shall reimburse Executive for all of Executive's reasonable out-of-pocket expenses associated with such assistance, including travel expenses and any attorneys' fees and shall pay a reasonable per diem fee (equal to 1/250th of Executive's annual salary rate at Executive's Date of Termination) for Executive's services.

(c) Limitations on Confidentiality and Nondisclosure. Notwithstanding any other provision in this Agreement to the contrary, nothing in this Agreement prohibits Executive from (i) reporting possible violations of federal or state law or regulation to any government agency or entity, including the EEOC, DOL, Department of Justice, Securities and Exchange Commission, Department of Defense, Congress and any agency Inspector General ("Governmental Agencies"), (ii) communicating with any Government Agencies or otherwise participating in any investigation or proceedings that may be conducted by any Governmental Agency, including providing documents or other information, without notice to the Company or (iii) making other disclosures that are protected under the whistleblower provisions of applicable law. Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (x) is made in confidence to a federal, state or local government official, either directly or indirectly, or to any attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law or (y) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

(d) Noncompetition. Executive agrees that so long as Executive is employed by the Company and for a period of twelve (12) months thereafter, Executive shall not, without the prior written consent of the Company, which in the case of termination will not be unreasonably withheld, participate or engage in, directly or indirectly (as an owner, partner, employee, officer, director, independent contractor, consultant, advisor or in any other capacity calling for the rendition of services, advice or acts of management, operation or control), any business that, during Executive's employment, is in direct competition with the business conducted by the Company or any of its affiliates within the United States (hereinafter, the "Geographic Area"); provided, however, that the foregoing shall not be construed to preclude Executive from making any investments in any securities to the extent such securities are traded on a national securities exchange or over-the-counter market and such investment does not exceed five percent (5%) of the issued and outstanding voting securities of such issuer.

(e) Nonsolicitation of Employees. During Executive's employment and for a period of twelve (12) months thereafter, Executive shall not, without the consent of the Company, directly or indirectly solicit any current employee of the Company or any of its affiliates, to leave such employment and join or become affiliated with any business that is in direct competition with the business conducted by the Company or any of its affiliates within the Geographic Area.

(f) Mutual Non-disparagement. Executive shall refrain from making any statements about the Company or its officers or directors that would disparage, or reflect unfavorably upon, the image or reputation of the Company or any such officer or director. The Company shall refrain from making any statements about Executive that would disparage, or reflect unfavorably upon, the image or reputation of, Executive.

(g) Irreparable Harm. Executive acknowledges that: (i) Executive's compliance with this Section 7 is necessary to preserve and protect the Confidential Information, and the goodwill of the Company and its affiliates as going concerns; (ii) any failure by Executive to comply with the provisions of this Section may result in irreparable and continuing injury for which there may be no adequate remedy at law and (iii) in the event that Executive should fail to comply with the terms and conditions of this Section, the Company shall be entitled, in addition to such other relief as may be proper, to seek all types of equitable relief (including, but not limited to, the issuance of an injunction and/or temporary restraining order) as may be necessary to cause Executive to comply with this Section, to restore to the Company its property, and to make the Company whole.

(h) Unenforceability. If any provision(s) of this Section 7 shall be found invalid or unenforceable, in whole or in part, then such provision(s) shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Agreement, as the case may require, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

8. Release. In consideration of and as a condition precedent to receiving any benefits under this Agreement, including those described in Section 3, Executive shall (i) execute and deliver to the Company a release of all claims in such form as requested by the Company within twenty-two (22) days following Executive's termination date (or any such longer period if required by applicable law and communicated to Executive) and (ii) not revoke the release during the seven (7) day period following the date that Executive executed the release. Such release may include the restrictive covenants, each of which may apply for a period of time after the termination of Executive's employment as described therein.

9. Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive without the prior written consent of the Company otherwise than by will or the laws of descent and distribution. If Executive should die while any amounts would still be payable to Executive hereunder if Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to Executive's heirs or representatives or, if there be no such designee, to Executive's estate.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

10. Prohibition of Payments by Regulatory Agencies. Notwithstanding anything to the contrary contained in this Agreement, the Company shall not be obligated to make any payment to Executive under this Agreement if the payment would violate any rule, regulation or order of any regulatory agency having jurisdiction over the Company or any of its subsidiaries; provided, however, that the Company covenants to Executive that it will take all reasonable steps to obtain any regulatory agency approvals that may be required in order to make payments to Executive as provided herein.

11. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto. This Agreement supersedes all previous agreements relating to the subject matter of this Agreement, written or oral, between the parties hereto and contains the entire understanding of the parties hereto.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Evergy, Inc.  
Attn: General Counsel  
1200 Main Street  
Kansas City, MO 64105

If to Executive:

\_\_\_\_\_  
Evergy, Inc.  
1200 Main Street  
Kansas City, MO 64105

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which other provisions shall remain in full force and effect.

(d) This Agreement is intended to meet the requirements of Section 409A of the Code and may be administered in a manner that is intended to meet those requirements and shall be construed and interpreted in accordance with such intent. To the extent that any payment or benefit provided hereunder is subject to

Section 409A of the Code, such payment or benefit shall be provided in a manner that will meet the requirements of Section 409A of the Code, including regulations or other guidance issued with respect thereto, such that the payment or benefit shall not be subject to the excise tax applicable under Section 409A of the Code. Any provision of this Agreement that would cause any payment or benefit to fail to satisfy Section 409A of the Code shall be amended (in a manner that as closely as practicable achieves the original intent of this Agreement) to comply with Section 409A of the Code on a timely basis, which may be made on a retroactive basis, in accordance with regulations and other guidance issued under Section 409A of the Code. In the event additional regulations or other guidance is issued under Section 409A of the Code or a court of competent jurisdiction provides additional authority concerning the application of Section 409A with respect to the payments described in Section 4 of the Agreement, then the provisions of such Section shall be amended to permit such payments to be made at the earliest time permitted under such additional regulations, guidance or authority that is practicable and achieves the original intent of this Agreement.

(e) The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(f) Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Executive or the Company may have hereunder, including, without limitation, the right of Executive to terminate employment for Good Reason, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(g) Executive and Evergy acknowledge that, except as may otherwise be provided under any other written agreement between Executive and the Company, the employment of Executive by the Company is "at will," and may be terminated by either Executive or the Company at any time. Except as provided in Section 3(c), if prior to the Effective Date Executive's employment with the Company terminates, then Executive shall have no further rights under this Agreement.

(h) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one agreement that is binding upon each of the parties hereto, notwithstanding that all parties are not signatories to the same counterpart.

[Signature page follows]

IN WITNESS WHEREOF, each of Evergy and Executive has executed this Agreement as of the day and year first above written.

EVERGY, INC.

EXECUTIVE:

By: \_\_\_\_\_

\_\_\_\_\_

Name:

Title:

EVERGY, INC.  
Executive Annual Incentive Plan  
Effective as of January 1, 2019

**Objective**

The Evergy, Inc. (the “Company” or “Evergy”) Executive Annual Incentive Plan (the “Plan”) is designed to motivate and reward officers of Evergy for the achievement of specific key financial, operational and business goals. By providing market-competitive target awards and additional award opportunities for extraordinary achievements and results, the Plan both supports the attraction and retention of senior executive talent critical to achieving the Company’s strategic business objectives and provides financial incentives to reward key performers.

**Eligibility**

Eligible participants (“Participants”) shall be the named executive officers (“NEOs”) and non-NEOs of the Company as approved by the Compensation and Leadership Development Committee (“Committee”) or board of directors (the “Board”) of the Company.

**Administration**

The Committee and/or the Board has the full power and authority to (i) interpret the provisions of the Plan, (ii) determine the terms and conditions of any award, (iii) amend the terms or conditions of any award, (iv) determine whether, and to what extent, awards may become vested, paid (in full or in part), forfeited or suspended, (v) establish, amend, suspend or waive any payment conditions for an award or rules relating to the administration of the Plan, (vi) delegate all or part of its authority under the Plan to one or more directors and, with respect to the day-to-day administration and operations of the Plan (but not granting of awards or any determination of any amounts eligible to be paid under the Plan) to officers of the Company, and (vii) make any other determination or take any action that is deemed necessary or desirable for the administration of the Plan or the payment of awards thereunder. All determinations and decisions made by the Committee pursuant to the provisions of the Plan shall be final, conclusive and binding on all persons, and shall be given maximum deference permitted by law.

**Awards**

Awards and award levels are developed and approved by the Committee, who may seek the input of the Company’s management and one or more outside compensation consultants and may further seek approval by the full Board. Awards, which may vary based on the Participant’s level of responsibility, market data, internal comparisons and other factors the Committee believes is appropriate, may be (i) established as a percentage of the Participant’s base salary, (ii) established as an absolute amount or (iii) established based on any other factor or criteria. Any performance goal or criteria the Committee believes is appropriate may be used in establishing incentive objectives. The Committee is authorized, in its sole discretion, to adjust or modify the performance goals or criteria once established or the determination of any performance goals or criteria for any reason.

**Performance Period and Incentive Objectives**

The Plan will be effective as of January 1, 2019 and end on December 31, 2019 (the “Performance Period”) unless the Committee in its sole discretion desires to have a different Performance Period. The Committee will establish and approve, and if applicable, submit for approval by the Board, specific annual objectives and performance levels that are applicable to each Participant. The amount of a

Participant's award will be determined in the Committee's discretion and may differ from Participant to Participant, based on performance against the specific objectives and performance levels approved by the Committee. The Committee may adjust or modify the established annual objectives or performance levels in its discretion at any time before the end of the Performance Period.

Each Participant will be provided a copy of the applicable objectives and performance levels as soon as practicable after the objectives and performance levels have been established as well as be notified as soon as practicable of any adjustment to the applicable objectives and performance levels.

### **Payment of Awards**

Earned awards will generally be payable to each Participant after the completion of the Performance Period and as soon as practicable following the determination by the Committee of the achievement level for the performance goal(s) and each of the relevant objectives relating thereto. The awards will be paid, in the sole discretion of the Committee, in cash, Company stock (in the form of "Bonus Shares" as defined and under the Company's Long-Term Incentive Plan ("LTIP"), as may be amended or restated), or a combination of cash and stock, except to the extent receipt of payment is properly deferred under the Company's Nonqualified Deferred Compensation Plan (the "NQDC Plan"). (Any earned award for which a deferral election has been made under the NQDC Plan will result in a cash award being deferred, as Bonus Shares are not eligible to be deferred under such plan.) Except to the extent deferred under the NQDC Plan, in no event shall payment be made later than the 15<sup>th</sup> day of the third month following the end of the taxable year in which the Committee's determination of award achievement is made.

An award for a person who becomes a Participant during a Performance Period, will be prorated unless otherwise determined by the Committee.

### **Miscellaneous**

Unfunded Benefits. No benefit provided under this Plan is subject to the Employee Retirement Income Security Act of 1974, as amended, and all benefits under the Plan are unfunded. No Participant shall have any greater right than the right of a general unsecured creditor of the Company.

Amendments and Termination. The Board or the Committee has the exclusive right to terminate, modify, change or alter the Plan at any time.

Clawback or Recoupment. The Board or the Committee will, to the full extent permitted by law, have the discretion based on the particular facts and circumstances, to require that each Participant reimburse the Company for all or any portion of any awards if and to the extent the awards reflected the achievement of financial results that were subsequently the subject of a restatement, or the achievement of other objectives that were subsequently found to be inaccurately measured, and a lower award would have occurred based upon the restated financial results or inaccurately measured objectives. The Board or the Committee may, in its discretion, (i) seek repayment from the Participants; (ii) reduce the amount that would otherwise be payable to the Participants under current or future awards; (iii) withhold future equity grants or salary increases; (iv) pursue other available legal remedies; or (v) any combination of these actions. The Board or the Committee may take such actions against any Participant, whether or not such Participant engaged in any misconduct or was otherwise at fault with respect to such restatement or inaccurate measurement.

Tax Withholding. Any payment or benefit under the Plan is subject to all applicable withholding and other taxes applicable to the entire award, which must be satisfied by the Participant in a manner

satisfactory to the Company and in accordance with applicable law before any payment is made under this Plan.

Code Section 409A. It is intended that the payments under the Plan qualify as short-term deferrals exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”). In the event that any award does not qualify for treatment as an exempt short-term deferral, it is intended that such amount will be paid in a manner that satisfies the requirements of Section 409A. The Plan shall be interpreted and construed accordingly.

Adopted on February 11, 2019.

By: /s/ John J. Sherman

Chair, Compensation and Leadership Development Committee

## CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Evergy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/ Terry Bassham

Terry Bassham  
President and Chief Executive Officer

## CERTIFICATIONS

I, Anthony D. Somma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Evergy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/Anthony D. Somma

Anthony D. Somma

Executive Vice President and Chief Financial Officer

## CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/ Terry Bassham

Terry Bassham  
President and Chief Executive Officer

## CERTIFICATIONS

I, Anthony D. Somma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/ Anthony D. Somma

Anthony D. Somma

Executive Vice President and Chief Financial Officer

## CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Westar Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/ Terry Bassham

Terry Bassham  
President and Chief Executive Officer

## CERTIFICATIONS

I, Anthony D. Somma, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Westar Energy, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2019

/s/ Anthony D. Somma

Anthony D. Somma

Executive Vice President and Chief Financial Officer

**Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Evergy, Inc. (the "Company") for the quarterly period ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Terry Bassham, as President and Chief Executive Officer of the Company, and Anthony D. Somma, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Terry Bassham

Name: Terry Bassham  
Title: President and Chief Executive Officer  
Date: May 8, 2019

/s/Anthony D. Somma

Name: Anthony D. Somma  
Title: Executive Vice President and Chief Financial Officer  
Date: May 8, 2019

**Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Kansas City Power & Light Company (the "Company") for the quarterly period ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Terry Bassham, as President and Chief Executive Officer of the Company, and Anthony D. Somma, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Terry Bassham

Name: Terry Bassham  
Title: President and Chief Executive Officer  
Date: May 8, 2019

/s/ Anthony D. Somma

Name: Anthony D. Somma  
Title: Executive Vice President and Chief Financial Officer  
Date: May 8, 2019

**Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Westar Energy, Inc. (the "Company") for the quarterly period ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Terry Bassham, as President and Chief Executive Officer of the Company, and Anthony D. Somma, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Terry Bassham

Name: Terry Bassham  
Title: President and Chief Executive Officer  
Date: May 8, 2019

/s/ Anthony D. Somma

Name: Anthony D. Somma  
Title: Executive Vice President and Chief Financial Officer  
Date: May 8, 2019