

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of	)	
Kansas City Power & Light Company	)	
For Approval to Update the Investment	)	
Guidelines, Add an Investment Manager and	)	
Enter Into a New Agreement with the Existing	)	Case No. EO-2009-_____
Investment Manager for the Kansas City	)	
Power & Light Company Nuclear	)	
Decommissioning Trust Fund	)	

**APPLICATION**

Pursuant to 4 CSR 240-2.060 and 4 CSR 240-20.070, Kansas City Power & Light Company (“KCP&L” or “Applicant”) hereby respectfully submits to the Missouri Public Service Commission (“Commission”) its application (“Application”) for approval to update the investment guidelines, add an investment manager, and enter into a new agreement with the existing investment manager for the KCP&L Nuclear Decommissioning Trust Fund (“Trust Fund”). In support hereof, KCP&L offers as follows:

**Applicant**

1. KCP&L is a Missouri corporation, in good standing in all respects, with its principal office and place of business at 1201 Walnut Street, Kansas City, Missouri 64106. KCP&L is engaged in the generation, transmission, distribution and sale of electricity in western Missouri and eastern Kansas, operating primarily in the Kansas City metropolitan area. KCP&L is an “electrical corporation” and “public utility” as those terms are defined in Section 386.020 and, as such, is subject to the jurisdiction of the Commission as provided by law. KCP&L's Certificate of Good Standing was filed in Case No. EM-2000-753 and is incorporated herein by reference.

2. KCP&L sells electricity at retail to approximately 272,000 customers in Missouri and 239,000 in Kansas. It owns approximately 1,770 miles of transmission lines and approximately 4,140 megawatts of generating capacity. As it pertains to the instant Application, KCP&L owns 47% of the Wolf Creek Generating Station (“Wolf Creek”). Westar Energy, Inc. also owns a 47% interest in the facility. Kansas Electric Power Cooperative, Inc. owns the remaining 6%.

3. Pursuant to the requirements of 4 CSR 240-20.070, KCP&L established and is funding the Trust Fund to ensure that adequate funds are available to decommission Wolf Creek. In Case No. EO-2009-0072, the Commission recently approved KCP&L’s decommissioning cost estimate of \$593,542,000 and the continuation of the annual Trust Fund accrual at the current level of \$1,281,264.

4. KCP&L has no pending or final judgments or decisions against it from state or federal regulatory agencies or courts which involve customer service occurring within the three (3) years immediately preceding the filing of this Application.

5. KCP&L has no overdue Commission annual reports or assessment fees.

6. Pleadings, notices, orders and other correspondence and communications concerning this Application should be addressed to the undersigned counsel and:

Tim Rush  
Director Regulatory Affairs  
Kansas City Power & Light Company  
1201 Walnut – 13<sup>th</sup> Floor  
Kansas City, Missouri 64106  
Phone: (816) 556-2344  
Fax: (816) 556-2110  
E-mail: [Tim.Rush@kcpl.com](mailto:Tim.Rush@kcpl.com)

Michael Cline  
Vice President – Investor Relations and Treasurer  
Kansas City Power & Light Company  
1201 Walnut – 20<sup>th</sup> Floor  
Kansas City, Missouri 64106  
Phone: (816) 556-2622  
Fax: (816) 556-2992  
E-mail: [Michael.Cline@kcpl.com](mailto:Michael.Cline@kcpl.com)

**Request for Approval**

7. KCP&L established the Trust Fund, a tax-qualified externally managed trust fund, in 1986 for the purpose of collecting and investing funds to pay for Wolf Creek’s decommissioning costs. The fund is operated in accordance with 4 C.S.R. § 240-20.070 and all other applicable laws.

8. The Trust Fund is managed by Columbia Management Advisors, LLC (“Columbia”). Columbia currently manages both the fixed income and equity portions of the Trust Fund assets. The Trust Fund Trustee is The Bank of New York Mellon.

9. KCP&L believes it is in the best interest of the Trust Fund to diversify management of the Trust Fund assets. After conducting significant research and due diligence, KCP&L seeks to split management of the Trust Fund among two managers, with responsibility allocated according to their strengths and specialties.

10. Therefore, KCP&L requests approval to retain Duff & Phelps Investment Management Co. (“Duff & Phelps”) to manage the equity portion of the Trust Fund assets and to continue to retain Columbia to manage the fixed income portion of the Trust Fund assets, all in accordance with 4 C.S.R. § 240-20.70 and all other applicable laws. Retaining an additional manager and transferring the equity portion of the Trust Fund assets thereto will result in new agreements with Columbia and Duff & Phelps, which are attached hereto for Commission review

and approval as Appendices B and C, respectively. The Trust Fund Trustee will not be affected by this proposed change.

11. KCP&L also believes that it is in the best interest of the Trust Fund to provide greater flexibility for the investment managers to invest the assets of the Trust Fund and for the asset allocation of the Trust Fund to allow for a higher proportion of investment in equity securities given the recent 20-year extension of Wolf Creek's operating license granted by the Nuclear Regulatory Commission in November 2008. Pursuant to that extension, Wolf Creek is licensed to operate until March 2045.

12. To achieve these aims, KCP&L updated the KCP&L Wolf Creek Nuclear Decommissioning Trust Investment Guidelines ("Investment Guidelines") which define the investment policies and objectives for the Trust Fund, procedures for monitoring and control, and the delegation of responsibilities for the oversight and management of the Trust Fund's assets. In particular, the changes to the Investment Guidelines include increasing the allowable asset allocation to equity securities from a maximum of 45% to a target of 65% on a market value basis with a permissible allocation range of 60% - 70%. The changes to the Investment Guidelines reduce the allowable asset allocation to fixed income securities from a minimum of 50% to a target of 35% on a market value basis with a permissible allocation range of 30% - 40%. The changes to the Investment Guidelines also add targeted asset allocations and performance benchmarks. The updated Investment Guidelines are incorporated by reference into the new agreements with Columbia and Duff & Phelps and attached hereto as Appendix A.

### **Timing**

13. KCP&L seeks the requested Commission approval within 90 days of submission of this Application, or by September 8, 2009.

WHEREFORE, for the foregoing reasons KCP&L respectfully requests that the Commission issue an order by September 8, 2009:

A. Authorizing KCP&L to adopt the KCP&L Wolf Creek Nuclear Decommissioning Trust Investment Guidelines in the form attached as Appendix A;

B. Authorizing KCP&L to retain Duff & Phelps Investment Management Co. to manage the equity portion of the Trust Fund assets;

C. Authorizing KCP&L to retain Columbia Management Advisors, LLC to manage the fixed income portion of the Trust Fund assets;

D. Authorizing KCP&L to execute the proposed Investment Management Agreement with Columbia Management Advisors, LLC, which incorporates the updated Investment Guidelines, attached hereto as Appendix B;

E. Authorizing KCP&L to execute the proposed Investment Advisory Agreement with Duff & Phelps Investment Management Co., which incorporates the updated Investment Guidelines, attached hereto as Appendix C; and

F. Granting such other relief as may be deemed necessary and appropriate and which is not inconsistent with this pleading.

Respectfully submitted,

/s/ *Curtis D. Blanc*

Curtis D. Blanc (Mo. Bar No. 58052)  
Kansas City Power & Light Company  
1201 Walnut – 20<sup>th</sup> Floor  
Kansas City, Missouri 64106  
Phone: (816) 556-2483  
Fax: (819) 556-2787  
Email: Curtis.Blanc@kcpl.com

COUNSEL FOR KANSAS CITY POWER &  
LIGHT COMPANY

Dated: June 10, 2009

## **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepaid, this 10<sup>th</sup> day of June, 2009, to the following:

Kevin Thompson  
Missouri Public Service Commission  
P.O. Box 360  
200 Madison St., Suite 800  
Jefferson City, MO 65102

Lewis Mills  
Office of the Public Counsel  
P.O. Box 2230  
200 Madison St., Suite 650  
Jefferson City, MO 65102

/s/ *Curtis D. Blanc*

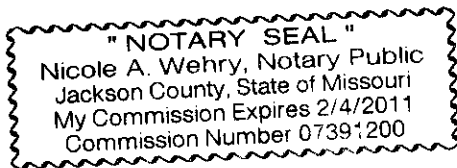
# AFFIDAVIT

State of Missouri     )  
                              ) ss  
County of Jackson    )

I, Michael Cline, having been duly sworn upon my oath, state that I am the Vice President-Investor Relations and Treasurer of Kansas City Power & Light Company ("KCP&L"), that I am duly authorized to make this affidavit on behalf of KCP&L, and that the matters and things stated in the foregoing application and appendices thereto are true and correct to the best of my information, knowledge and belief.

Michael Cline  
Michael Cline

Subscribed and sworn before me this 10<sup>th</sup> day of June 2009.



Nicole A. Wehry  
Notary Public



## **APPENDIX A**

### **KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST INVESTMENT GUIDELINES**

# **KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST INVESTMENT GUIDELINES**

**Effective: [REDACTED], 2009**

## **I. INTRODUCTION**

These Investment Guidelines (“Guidelines”) define the investment policies and objectives for the Kansas City Power & Light Company (“KCP&L”) Wolf Creek Nuclear Decommissioning Trust (“NDT” or “Trust”), procedures for monitoring and control, and the delegation of responsibilities for the oversight and management of the Trust’s assets. The NDT Committee (“Committee”) maintains responsibility for administration of the NDT in accordance with its terms and the promulgation of these Guidelines and may, in its discretion, amend these Guidelines and their Attachments from time to time.

## **II. PURPOSE OF THE TRUST**

KCP&L owns a 47% interest in the Wolf Creek Generating Station (“Wolf Creek”). KCP&L also owns a 47% interest in the Wolf Creek Nuclear Operating Corporation, the operating company for Wolf Creek. The sole purpose of the NDT is to invest contributions and investment proceeds and to accumulate assets in order to cover KCP&L’s 47% share of the costs and expenses associated with the decommissioning of Wolf Creek.

## **III. COMPLIANCE WITH REGULATIONS**

The Trust has been established and shall be operated in accordance with Sections 468A(e)(4)(c) of the Internal Revenue Code.

Management of the Trust shall be in full compliance with all federal and state laws; and with all orders issued by any applicable federal or state regulatory authorities, including but not necessarily limited to the following:

- The Missouri Public Service Commission (MPSC)
- The Kansas Corporation Commission (KCC)
- The Federal Energy Regulatory Commission (FERC)
- The Internal Revenue Service (IRS)
- The United States Treasury Department (Treasury)
- The Nuclear Regulatory Commission (NRC)

No investments shall be made which would in any way conflict with any federal or state laws, nor with any orders, regulations or requirements of the foregoing. All instructions from the Committee to any other parties necessary to implement the overall investment policies and practices established by these Guidelines shall likewise be in accordance with said Guidelines and with all federal and state laws and with all orders issued by applicable federal or state regulatory authorities.

#### **IV. INVESTMENT PHILOSOPHY**

The overall investment philosophy of the Trust shall be to prudently select, monitor, and manage a diversified portfolio of investments in such a manner as to generate sufficient long-term after-tax and after-expense total returns to provide the required level of funds for decommissioning at an acceptable level of risk. Total return is defined as the combination of current income and capital appreciation or depreciation. It is recognized that although a risk-return tradeoff exists, each Investment Manager shall strive to balance these objectives for the overall benefit of the Trust in a way that minimizes the risk of large losses.

#### **V. INVESTMENT MANAGEMENT RESPONSIBILITIES**

##### **A. POLICIES AND PRACTICES**

The Committee shall be responsible for establishing and implementing general, overall investment policies and practices; including, but not necessarily limited to:

1. The selection of Investment Managers, advisors, consultants, etc.;
2. The selection of allowable investment vehicles or classes (*e.g.*, various styles of equities, fixed income securities, or other asset categories);
3. The specification of allocations between investment vehicles or classes;
4. The specification of allocations between Investment Managers; and
5. Directing contributions to selected investment vehicles or classes/Investment Managers and directing reallocations between investment vehicles or classes/Investment Managers.

The Committee has the responsibility of establishing the Trust's basic investment policy, making asset allocation decisions, and, in its discretion, appointing each Investment Manager. The responsibility for providing for the Trust's liquidity needs also rests with the Committee. The overall investment policies established by the Committee shall be set forth in these Guidelines, which shall be reviewed and approved, as required, by all applicable federal and state regulatory authorities in accordance with all federal and state laws and with all orders issued by such applicable federal or state regulatory authorities.

##### **B. DAY-TO-DAY MANAGEMENT**

Day-to-day management of the Trust shall be the responsibility of each Investment Manager selected by the Committee, who shall have sole responsibility to engage and direct NDT investments. Each Investment Manager shall be obligated at all times to adhere to a standard of care, whether in investing or otherwise, that a prudent investor would use in the same circumstances. The term "prudent investor" shall have the same meaning as set forth in the FERC's "Regulations Governing Nuclear Plant Decommissioning Trust" at 18 CFR 35.32(a) (3), or any successor regulation.

Neither KCP&L nor its subsidiaries, affiliates or associates may serve as an Investment Manager or otherwise to engage in day-to-day management of the Trust or mandate individual investment decisions, unless so requested by the Committee after the removal or resignation of an acting Investment Manager and then only until a new Investment Manager has been appointed, as evidenced by an executed investment management agreement. Each Investment Manager shall be responsible for the selection of specific securities for investment. The Committee shall not direct any Investment Manager to invest in any specific, individual securities; however, the Committee does retain the right to instruct each Investment Manager not to invest in certain securities, as it deems appropriate.

Each Investment Manager appointed to carry out the NDT's investment Guidelines shall invest NDT assets in accordance with these Guidelines, any applicable addendum to or modification of these Guidelines, and any investment management contract between each Investment Manager and the Committee. Subject to the general and specific requirements and limitations in these Guidelines, any addendum to or modification of these Guidelines, and the investment management contract between each Investment Manager and the Committee, each Investment Manager is accorded full discretion to select and time individual purchase and sale transactions and to diversify assets appropriately. To the extent these Guidelines appear to any Investment Manager to conflict with the provisions of any addendum or modification, or with each Investment Manager's investment management agreement with the Committee, each Investment Manager shall promptly bring any such conflict to the attention of the Committee, in writing, for resolution.

#### **C. COMMUNICATION AND REPORTING OF INVESTMENT MANAGERS**

Each Investment Manager is responsible for frequent and open communication with the Committee on all significant matters pertaining to investment policies and the management of the Trust's assets. Each Investment Manager shall furnish the Chairman of the Committee or designee thereof quarterly written reports setting forth the investment performance of the assets under management by each Investment Manager. The reports shall contain a one-page executive summary and shall be furnished in electronic and hard copy. Each Investment Manager shall meet with the Committee quarterly, or less frequently at the Committee's discretion, to review portfolio performance. In addition to reporting obligations imposed by law or the investment management contract between each Investment Manager and the Committee, each Investment Manager shall promptly report:

1. Significant changes in the Investment Manager's investment outlook, investment strategy, portfolio structure and risk level;
2. Any significant changes in the Investment Manager's ownership, investment process, organizational structure, financial condition, senior personnel staffing or Form ADV filed with the Securities and Exchange Commission;
3. On a quarterly basis all securities held during the quarter, together with certifications that these instruments were prudent investments for the Trust and each Investment Manager has personnel with sufficient expertise to manage them;
4. Any security which declines below the minimum quality standards of the NDT and any action an Investment Manager plans to take with respect to that security;

5. Any proposed change in the NDT's Investment Guidelines, Attachments or addenda thereto, or both, which an Investment Manager believes is necessary to prudently invest the assets of the NDT under its management; and
6. Any litigation, regulatory enforcement action, or formal investigation by a regulatory body in which an Investment Manager, or a sub-advisor, sub-manager, or other investment professional that assists each Investment Manager, is alleged to have committed a breach of fiduciary duty or a violation of other state or federal law.

## **VI. INVESTMENT OBJECTIVES**

The Trust shall seek to achieve a total return that, over the long term, provides sufficient assets to fund its liabilities subject to a level of risk, required contributions, and expense deemed appropriate by the Committee. The Trust shall seek to maximize the return on its assets, over the long term, by investing a portion of such assets in equities and additional asset classes, including, but not limited to, fixed income securities, with differing rates of return, volatility, and correlation. The Trust will diversify its investments within asset classes to reduce the impact of losses in single investments.

### **A. ASSET CLASSES AND ALLOCATION OF ASSETS**

The Committee will maintain an asset allocation policy specifying allocation ranges for each asset class, and will review the ranges from time to time. The ranges are set forth in Attachment A to these Guidelines. Such ranges are intended to serve as guidelines; the Committee will not be required to remain strictly within the designated ranges.

### **B. ASSET ALLOCATION REBALANCING POLICY**

The Committee anticipates rebalancing the portfolio upon the advice of each Investment Manager from time to time. The NDT's asset allocation rebalancing policy targets and ranges are set forth in Attachment B to these Guidelines.

### **C. CONCENTRATION**

For all asset classes, no Investment Manager shall invest more than a total of 5% of the Trust's assets under management by such Manager, measured at market value, in the securities, fixed income or equity, of any one company. Nonetheless, an Investment Manager may exceed this 5% limit if it manages an indexed equity fund, but only to the extent the securities of any one company comprise no more than 5% of the value of the Trust's assets under management by such Investment Manager. In addition, prudent diversification standards should be developed and maintained by each Investment Manager.

## **D. EQUITY**

### **1. TYPES OF SECURITIES AND MINIMUM REQUIREMENTS**

Equity investments shall mean common stocks, preferred stocks, preferred stocks convertible into common stocks and mutual funds, including exchange traded funds, whose underlying assets are primarily common stocks.

### **2. DIVERSIFICATION**

Investments in any particular industry (as defined by the Standard and Poor's 500) shall be limited to no more than 20% of the total equity portion of the Trust's assets under management by an individual Manager. Equity investments in any one company by an individual Manager shall be limited to no more than 5% of the total equity portion of the Trust's assets under management by that Manager, measured at market value. Investments in broadly-based mutual funds, including exchange traded funds designed to replicate broad indexes, are excluded from both the 20% industry and 5% company diversification limitations. Industry and sector specific funds are not excluded from the diversification limitations. Each Investment Manager will use their own judgment as to the weight to be accorded to the ratings of given equities, and the mix and number of issues of stocks held in the portfolio at any given time, within the limits of this paragraph.

### **3. INTERNATIONAL EQUITY**

The Trust may invest in equity investments of foreign companies.

## **E. FIXED INCOME**

### **1. TYPES OF SECURITIES**

Fixed income investments shall mean publicly traded debt securities issued by the United States Government or agencies of the United States Government, domestic corporations and domestic banks and other United States financial institutions. "Yankee bonds" (debt securities issued by foreign entities which are registered with the Securities and Exchange Commission, denominated in U.S. dollars and which trade domestically) and municipal bonds are also available for investment, so long as they comply with Minimum Quality and Diversification standards referenced herein.

### **2. MINIMUM QUALITY**

To assure liquidity, any purchases of bonds, debentures, or notes with maturities of one year or greater should be of issues with an original outstanding issue size in excess of \$50 million. Bonds must be rated "investment grade" by Moody's and Standard and Poor's.

### **3. DIVERSIFICATION**

Except for Treasury and Agency obligations, debt investments of any one entity may not cumulatively exceed 5% of the Trust's assets under management by each Investment Manager, based on market value.

**F. CASH EQUIVALENTS**

**1. TYPES OF SECURITIES**

Cash equivalents include publicly traded fixed income securities issued by the United States Government or agencies of the United States Government, commercial paper, certificates of deposit, savings accounts and short-term investment or money market funds of institutional quality of entities domiciled in the U.S.

**2. MINIMUM QUALITY**

Commercial paper must be only of the highest quality (A-1 as established by Standard and Poor's or P-1 as established by Moody's) with the investment in single issuer limited to 5% of the total portfolio, or approved money market mutual funds. Investment in commercial paper of public utility companies with nuclear plant investments is prohibited.

**G. UNINVESTED ASSETS**

Assets of the Trust held by each Investment Manager as liquidity or investment reserves shall, at all times, be invested in interest bearing accounts and managed by the custodian bank.

**H. INVESTMENT TRANSACTIONS**

Subject to the requirements imposed by an investment management agreement between each Investment Manager and the Committee, all transactions are to achieve "best execution" (best price net of trading costs). The lowest commission rate does not necessarily mean "best execution." Subject to the first sentence of this paragraph, responsibility for achieving best execution is retained by each Investment Manager. Firms which offer research services may be given preference as long as the principle of "best execution" and each Investment Manager's option to pay for research are compatible.

**I. PROXIES**

Voting authority for proxies will be delegated to each Investment Manager or qualified third parties. Proxies must be voted in the interest of preserving or enhancing the security's value and in a manner that best serves the interest of the Trust. Each Investment Manager is prohibited from abstaining from voting proxies, unless they report abstentions and the reasons for them to the Committee. Each Investment Manager is expected to be aware of corporate provisions that may adversely affect stock holdings including, but not limited to, "golden parachutes," "super majorities," "poison pills," "fair price" provisions, staggered boards of directors, and other tactics.

**J. SECURITIES LENDING**

Upon express authorization of the Company, the Trust may participate in the securities lending program of the Trust's Trustee specifically, to loan any securities to brokers, dealers or banks upon such terms, and secured in such manner, as may be determined by the Trustee, to permit the loaned securities to be transferred into the name of the borrower or others and to

permit the borrower to exercise such rights of ownership over the loaned securities as may be required under the terms of any such loan; provided, that, with respect to the lending of securities pursuant to this paragraph, the Trustee's powers shall subsume the role of custodian (the expressed intent hereunder being that the Trustee, in such case, be deemed a financial institution, within the meaning of Section 101(22) of the Bankruptcy Code); and provided, further, that any loans made from the Trust shall be made in conformity with these Guidelines and all such laws or regulations governing such lending activities which may have been promulgated by any appropriate regulatory body at the time of such loan.

## **K. RESTRICTIONS**

### **1. ABSOLUTE RESTRICTIONS**

The following categories of securities and trading practices are not permissible for investment using the Trust's assets under any circumstance:

- A. Investments in any portion of Trust's funds in the securities or assets of any corporation known by the each Investment Manager to be an owner or operator of a nuclear power plant;
- B. Investments in any portion of the Trust's funds in any index fund, mutual fund or pooled fund in which more than 15% of the assets are issued by owners or operators of nuclear power plants;
- C. Investments in any portion of the tax-qualified or nontax-qualified trust's funds in any affiliated company of KCP&L;
- D. Investments in any portion of the tax-qualified or nontax-qualified trust's funds in the trustee or each Investment Manager's company or affiliated companies (This limitation does not include time or demand deposits offered through the trustee or each Investment Manager's affiliated banking operations.); and
- E. All other restrictions that may now exist or be promulgated.

Further, the total book value of investments in equity securities in the Trust shall not exceed 65% of the Trust's book value. All income earned by the Trust's funds shall become a part of the Trust's funds.

If a corporation should assume ownership or operation of a nuclear plant following the investment of the Trust funds, each Investment Manager will sell the affected securities as soon as is reasonably practicable. It is the responsibility of each Investment Manager to screen all investments for prohibition under these criteria.

### **2. RESTRICTIONS REQUIRING PRIOR WRITTEN APPROVAL**

The following categories of securities and trading practices are not permissible for investment using the Trust's assets without the Committee's prior written approval:



- a. Unregistered or restricted stock;
- b. Commodities, including gold or currency futures;
- c. Conditional sales contracts;
- d. Options;
- e. Futures;
- f. Warrants;
- g. Margin buying;
- h. Leasebacks;
- i. Annuities or Guaranteed Insurance Contracts; and
- j. Mortgage or Asset-backed Securities.

#### **L. PERFORMANCE**

The Trust's investment performance will be measured over the long term, taking into account appropriate benchmarks and peer-relative performance comparisons, especially when performance deviates meaningfully from market indexes. Investment objectives for each asset class will be established from time to time in consultation with each of the Trust's Investment Managers. The investment performance benchmarks are set forth in Attachment C to these Guidelines.

## ATTACHMENT A

### TO THE

### KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST INVESTMENT GUIDELINES

This Attachment to the Investment Guidelines for the KCP&L Wolf Creek Nuclear Decommissioning Trust (“Trust”) sets forth the asset allocation targets and ranges that have been established by the Nuclear Decommissioning Trust Committee (the “Committee”) as of XXXXXX, 2009. The Committee may change these targets and ranges from time to time in its discretion. They are intended to serve as guidelines; the Committee is not required to remain strictly within the designated ranges. However, in no event shall the categories of securities, trading practices or asset allocations violate the restrictions set forth the Investment Guidelines and all applicable laws and regulations.

The Trust’s asset allocation targets and ranges are as follows:

#### **PERCENTAGE ASSET ALLOCATION OF TRUST ASSETS MEASURED AT MARKET VALUE**

<b><u>Equity</u></b>	<b>Allocation</b>
<i><b>U.S. Equity</b></i>	
Large Cap Passive (S&P100)	32%
Total Large Cap	32%
Mid Cap Value	6%
Mid Cap Growth	3%
Total Mid Cap	9%
Small Cap Value	6%
Small Cap Growth	3%
Total Small Cap	9%
Total U.S. Equity	50%
 <i><b>International Equity</b></i>	
Developed International	12%
Emerging Markets	3%
Total International Equity	15%
<b>Total Equity</b>	<b>65%</b>
 <b><u>Fixed Income</u></b>	
Taxable Bond (Gov/Credit)	35%
<b>Total Fixed Income</b>	<b>35%</b>
	<b>100%</b>

## ATTACHMENT B

TO THE

### KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST INVESTMENT GUIDELINES

This Attachment to the Investment Guidelines for the KCP&L Wolf Creek Nuclear Decommissioning Trust ("Trust") sets forth the asset allocation rebalancing policy targets and ranges that have been established by the Nuclear Decommissioning Trust Committee (the "Committee") as of [REDACTED], 2009. The Committee may change these targets and ranges from time to time in its discretion. They are intended to serve as guidelines; the Committee is not required to remain strictly within the designated ranges. However, in no event shall the categories of securities, trading practices or asset allocations violate the restrictions set forth the Investment Guidelines and all applicable laws and regulations.

The Committee has defined target allocations and acceptable target ranges for each asset class. The rebalancing policy has been established so that actual allocations shall be consistent with those target ranges. Each asset class has been assigned a target and range outside of which rebalancing is necessary. In addition, each commingled fund and/or separate account within each asset class has been assigned a range outside of which rebalancing is necessary. Rebalancing ranges are equal to or less than acceptable range targets.

#### **ASSET ALLOCATION REBALANCING POLICY TARGETS AND RANGES**

	<b>Target Market Value Allocation</b>	<b>Rebalance Band</b>	<b>Permissible Market Value Range</b>
<b><u>Equity</u></b>			
<i>U.S. Equity</i>			
Large Cap Passive (S&P100)	32%		
Total Large Cap	32%	+/-3%	29% - 35%
Mid Cap Value	6%		
Mid Cap Growth	3%		
Total Mid Cap	9%	+/-2%	7% - 11%
Small Cap Value	6%		
Small Cap Growth	3%		
Total Small Cap	9%	+/-2%	7% - 11%
Total U.S. Equity	50%	+/-4%	46% - 54%
<i>International Equity</i>			
Developed International	12%		
Emerging Markets	3%		
Total International Equity	15%	+/-3%	12% - 18%
<b>Total Equity</b>	<b>65%</b>	<b>+/-5%</b>	<b>60% - 70%</b>
<b><u>Fixed Income</u></b>			
Taxable Bond (Gov/Credit)	35%		
<b>Total Fixed Income</b>	<b>35%</b>	<b>+/-5%</b>	<b>30% - 40%</b>
	<b>100%</b>		

**ATTACHMENT C**

**TO THE**

**KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST**  
**INVESTMENT GUIDELINES**

This Attachment to the Investment Guidelines for the KCP&L Wolf Creek Nuclear Decommissioning Trust (“Trust”) sets forth the performance benchmarks that have been established by the by the Nuclear Decommissioning Trust Committee (the “Committee”) as of           , 2009. The Committee may change these targets from time to time in its discretion.

**PERFORMANCE BENCHMARKS**

Performance of the Trust will be compared, over a market cycle, to a representative mix of benchmarks appropriate to each asset class, as follows:

1. Performance in Large Cap U.S. equity investments will be benchmarked against the S&P 100 Index;
2. Performance in Mid Cap U.S. equity investments will be benchmarked against the S&P 400 Index;
3. Performance in Small Cap U.S. equity investments will be benchmarked against the Russell 2000 Index;
4. Performance in international equity investments will be benchmarked against the MCSI EAFE Index; and
5. Performance in fixed income investments will be benchmarked against the Barclays Government/Credit Index.

## **APPENDIX B**

### **INVESTMENT MANAGEMENT AGREEMENT WITH COLUMBIA MANAGEMENT ADVISORS, LLC**

## **INVESTMENT MANAGEMENT AGREEMENT**

This INVESTMENT MANAGEMENT AGREEMENT (the "Agreement") is made this \_\_\_\_ day of November, 2008, by and between KANSAS CITY POWER & LIGHT WOLF CREEK NUCLEAR DECOMMISSIONING TRUST ("Client"), and COLUMBIA MANAGEMENT ADVISORS, LLC, a Delaware limited liability company ("Adviser").

WITNESSETH:

WHEREAS, Client desires to appoint Adviser as investment manager with respect to certain assets of Client, which Client shall by notice given or caused to be given to Adviser from time to time place under the management of Adviser, including the investment and reinvestment of and all income earned by such assets (the "Account"); and

WHEREAS, Adviser desires to accept such appointment and to act as investment manager with respect to the Account.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Agreement, Client and Adviser agree as follows:

### 1. Appointment of Investment Manager.

Client hereby appoints Adviser to act as investment manager and attorney-in-fact with respect to the Account under the terms of this Agreement. Client acknowledges that the appointment relates to Adviser as an entity, and that the individuals assigned to the Account may be changed from time to time at the exclusive discretion of the Adviser. Adviser hereby accepts these appointments and agrees to supervise and direct the investment of the Account in accordance with the terms of this Agreement.

### 2. Discretionary Authority of the Investment Manager.

Adviser shall have complete discretion in the investment and reinvestment of the cash, securities and other assets in the Account with

full power and authority to engage in such transactions on Client's behalf as Adviser may deem appropriate, in Adviser's absolute discretion and without prior consultation with Client or any other party, subject to the terms hereof (including amendments hereto), the current Client Guidelines attached hereto as Appendix B, the Client Authorizations attached hereto as Appendix C (collectively, Appendices B and C are referred to herein as the "Investment Guidelines") and any further specific written restrictions and limitations which Client shall provide to Adviser, including those provided pursuant to Section 10(h) of this Agreement (the "further instructions"). Client shall be solely responsible for the accuracy of the Investment Guidelines and further instructions. The Investment Guidelines and further instructions may be amended by Client in writing upon acceptance of such amendment by the Adviser. Client agrees to indemnify Adviser and to hold it harmless from any claim, damage, liability or expense arising out of Adviser's good faith reliance on the Investment Guidelines and further instructions.

This discretionary authority makes Adviser agent and attorney-in-fact with full power and authority on behalf of the Account and at risk of, and in the name of, Client (a) to buy, sell, exchange, convert and otherwise trade in any and all securities and other assets as Adviser may select; (b) to instruct any trustee or custodian of any security or other asset in the Account to deliver securities or assets sold, exchanged, or otherwise disposed of from the Account; (c) to pay cash for securities or assets delivered to any trustee or custodian upon acquisition for the Account; (d) to execute and enter into any related agreement, certificate, consent or other document; (e) to endorse, transfer or deliver such securities or other assets; (f) to exercise or dispose of subscription rights, warrants and fractional shares as it deems to be in Client's best interests; (g) to establish and deal through accounts with one or more securities or commodities brokerage firms, dealers or banks as Adviser may select, except that Client, in compliance with the conditions specified in this agreement, may designate specific brokers, dealers or banks; and (h) generally to perform any other act necessary to enable Adviser to carry out its obligations under this Agreement. Such authorization, however, does not include authority to deliver or pay securities or cash to

Adviser. This discretionary authority shall remain in full force and effect until Adviser receives written notice from the Client of its termination.

It is understood and agreed that Adviser shall have no obligation whatsoever to initiate, pursue and/or prosecute any claim, proceeding, or action on behalf of Client.

### 3. Voting Rights of Portfolio Securities.

Client has designated either (a) or (b) below by checking the space before the section:

a.           
Adviser shall not be required to take any action or render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the Account may be invested; or to consent to any class action, plan of reorganization, merger, combination, consolidation, liquidation or similar plan with reference to such securities or other assets.

b.   X    
Adviser shall take action with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the Account may be invested in accordance with Adviser's Proxy Voting Policies and Procedures in force from time to time. Client hereby acknowledges receipt of such Policies and Procedures. Adviser shall also take action with respect to consenting to any class action, plan of reorganization, merger, combination, consolidation, liquidation or similar plan with reference to such securities or other assets.

If no affirmative designation is made by Client above, (a) shall be deemed to have been designated.

### 4. Custody.

Adviser shall not act as custodian for assets of the Account, or take or have possession of any assets of the Account. The securities and assets of the Account will be held in the custody of the firm designated by Client to provide custody for Account assets ("Custodian"), which Client hereby represents has agreed to act as custodian for the Account in accordance with Adviser's instructions. Client shall cause such

custodian to segregate the assets of the Account from all other custodial assets in its possession, including any assets of Client which are not assets of the Account. In addition, (i) Adviser will at no time have custody or physical control of the cash and assets in the Account; (ii) Adviser will not be liable for any act or omission of the Custodian; (iii) Adviser may give instructions to the Custodian in writing or orally and confirmed in writing as soon as practicable thereafter; and (iv) Client will instruct the Custodian to provide Adviser and/or its designees with such periodic reports (paper or electronic) concerning the status of the Account as Adviser may reasonably request from time to time. Client will not change the Custodian without giving Adviser reasonable prior notice of its intention to do so together with the name and other relevant information with respect to the new custodian. Adviser shall have no responsibility for the management of cash assets of the Account if Client has authorized and directed the custodian to manage uninvested cash assets of the Account.

### 5. Brokerage.

Orders for the execution of transactions for the Account will be placed by Adviser with broker-dealers that are selected by Adviser. In seeking to obtain best execution of portfolio transactions for the Account, Adviser may consider the quality and reliability of the brokerage services, as well as research and investment information and other services provided by the broker-dealers. Accordingly, Adviser's selection of a broker-dealer for transactions for the Account may take into account, among others, such relevant factors as price; the broker-dealer firm's facilities, reliability and financial responsibility; when relevant, the ability of the firm to effect securities transactions, particularly with regard to such aspects as timing, order size and execution of the order; the firm's recordkeeping capabilities; and the research or other services provided by the firm to Adviser that are expected to enhance Adviser's general portfolio management capabilities (collectively, "Research"), notwithstanding that the Account may not be a beneficiary of such Research. Commission rate, being a component of price, is one factor considered together with other factors. Adviser will not be obligated to seek in advance

competitive bidding for the most favorable commission rate applicable to any particular transaction for the Account, or to select any broker-dealer on the basis of its purported commission rate. Accordingly, consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended, Adviser, in its discretion, may cause the Account to pay a commission for effecting a transaction for the Account in excess of the amount another broker-dealer would have charged for effecting that transaction. This may be done where Adviser has determined in good faith that the commission is reasonable in relation to the value of the brokerage and/or Research provided by the broker-dealer to Adviser. Adviser shall not be responsible or liable for any act or omission of any broker-dealer selected with due care.

Notwithstanding Section 5, Client may, by written instrument delivered to Adviser, direct that transactions for the Account be placed with specific brokers-dealers ("Directed Brokers"), but only in compliance with such conditions as Adviser may from time to time deem necessary, and subject to Adviser's right to vary from the direction should it deem it advisable to do so. Client hereby represents and warrants that any such direction shall be properly authorized pursuant to the by-laws, charter, trust agreement or other document(s) authorizing creation of the Account, and within applicable standards of fiduciary conduct. Client hereby agrees to indemnify and hold harmless Adviser from all liability and cost (including costs of defense) which may be asserted or incurred by reason of Adviser's good faith compliance with any such direction. If Client so directs Adviser, it acknowledges that (1) any transaction executed through a Directed Broker may not be made on a "best execution" basis, (2) Adviser cannot negotiate commissions on Client's behalf and, in some transactions, Client may pay materially disparate commissions to commissions paid by Adviser's other clients depending on Client's commission arrangement with the Directed Broker and other factors such as the number of shares, round and odd lots, or the market for the security, (3) Client may not receive the most favorable price for the security, (4) Client will forego any savings on execution costs that Adviser may obtain for its other clients through, for example, negotiation of volume discounts on orders that are combined with other client's

orders in a "batch."; and (5) Adviser will not evaluate the creditworthiness of any Directed Broker.

#### 6. Services Not Exclusive.

Client understands that Adviser and its affiliates perform investment advisory services for clients other than Client. Client agrees that Adviser and its affiliates may give advice and take action with respect to other clients that may be similar or different from that given to Client, in terms of securities, timing, nature of transactions and other factors, so long as Adviser, to the extent practicable, attempts in good faith to allocate investment opportunities among its clients, including Client, on a fair and equitable basis. Client recognizes that other clients of Adviser, as well as Adviser, its principals, employees, affiliates and their family members, may hold and engage in transactions in securities purchased or sold for Client or about which Adviser has given Client advice. Client also agrees that Adviser has no obligation to purchase, sell or make recommendations with respect to any security for Client which Adviser purchases, sells or recommends to any client, or in which Adviser, its principals, employees, affiliates or their family members engage in transactions.

#### 7. Allocation and Aggregation of Orders.

(a) Adviser will not be obligated to recommend for the Account the purchase or sale of securities or other investments that Adviser may purchase or sell, recommend for purchase or sale or take the opposite side of the market for investments for the accounts of Adviser's other clients. Moreover, Client acknowledges that circumstances may arise under which Adviser determines that, while it would be both desirable and suitable that a particular security or other investment be purchased or sold for the account of more than one of Adviser's clients' accounts, there is a limited supply or demand for the security or other investment. Under such circumstances, Client acknowledges that, while Adviser will seek to allocate the opportunity to purchase or sell that security or other investment among those accounts on an equitable basis, Adviser will not be required to assure equality of treatment among all of its clients (including that



the opportunity to purchase or sell that security or other investment will be proportionally allocated among those clients according to any particular or predetermined standards or criteria).

(b) Client acknowledges and agrees that Adviser may aggregate purchase or sale orders for the Account with purchase or sale orders in a particular security for other clients' accounts when appropriate. However, Adviser is under no obligation to aggregate orders. Where, because of prevailing market conditions, it is not possible to obtain the same price or time of execution for all of the securities or other investments purchased or sold for the Account in an aggregated order, Adviser may average the various execution prices and charge or credit the Account with the average price.

#### 8. Other Assets; No Representations Regarding Performance.

(a) In performing its services under this Agreement, Adviser shall not be required to take into consideration, and shall have no responsibility with respect to, Client's assets other than those in the Account. Accordingly, subject to the Investment Guidelines and further instructions, the majority or the whole of the Account may be invested in such proportions of stocks, bonds, other securities or assets, or cash as Adviser shall determine, without regard for the diversification of Client's assets in the aggregate.

(b) Neither Adviser nor any of its officers, directors or employees make any representations or warranties, express or implied, that any level of performance or investment results will be achieved by the Account or that the Account will perform comparably with any standard or index, including other clients of Adviser, whether public or private.

#### 9. Obligations of Client.

Client shall have the sole responsibility to determine, from time to time, that the services provided by Adviser, the Investment Guidelines and further instructions, if any, and the securities and other assets contained in the Account are appropriate and suitable for the Account in light of Client's needs, financial position and investment objectives. Client understands and is

willing to accept the risk involved therein and further understands that there can be no assurance that such objectives will be achieved. Client shall monitor the Account by reviewing statements or reports from Adviser or the Custodian regarding the Account, and shall advise Adviser of any inappropriate or unsuitable investment as soon as possible, but in any event not later than ten days after the receipt of such statement or report. Client shall provide Adviser with any materials or information that Adviser may reasonably request to enable it to perform its responsibilities pursuant to this Agreement. Client shall provide Adviser, from time to time, with a list of those securities or other assets, if any, that Adviser may not acquire or dispose of on behalf of Client.

#### 10. Client Representations.

Client represents that: (a) Client has authority to enter into and perform this Agreement (Client will deliver to Adviser such evidence of such authority as Adviser shall reasonably request); (b) the terms of this Agreement do not violate any obligation by which Client is bound by contract, operation of law or otherwise; (c) if action was required to authorize Client to enter into this Agreement, such action has been taken by a duly authorized representative of Client; (d) it has received and reviewed Part II of Adviser's current Form ADV more than 48 hours prior to entering this Agreement; (e) Client hereby acknowledges receipt of Adviser's Standard Disclosure regarding Conflicts of Interest and Transactions with Affiliates which is incorporated by reference herein; (f) if Client is an individual, Client acknowledges receipt of a copy of Adviser's current privacy policy; (g) this Agreement, when executed and delivered, will bind Client in accordance with its terms; (h) Client has provided to Adviser a list of all types of securities or other assets in which Account assets may not be invested or with respect to which there are limitations on investments, and Client shall notify Adviser promptly, in writing, of any change in such list; (i) none of Client's assets are assets of any employee benefit plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended; and (j) Client is not an investment company (as that term is defined in the Investment Company Act of 1940, as amended

("1940 Act")). Client will promptly inform Adviser in the event that any of these representations are no longer true.

#### 11. Adviser Representations.

Adviser represents that (a) Adviser is registered as an investment adviser under the Investment Advisers Act of 1940, as amended ("Advisers Act"), and that this registration is currently effective; (b) Adviser has authority to enter into and perform this Agreement; (c) the terms of this Agreement do not violate any obligation by which Adviser is bound by contract, operation of law or otherwise; and (d) if action was required to authorize Adviser to enter into this Agreement, such action has been taken by a duly authorized representative of Adviser. Adviser will promptly inform Client in the event that any of these representations are no longer true.

#### 12. Instructions.

When Client gives instructions or directions to Adviser, Client will normally furnish these in writing. However, in Adviser's sole discretion and at Client's risk as to authenticity and correctness, Adviser may accept and act upon instructions or directions which Adviser reasonably believes to be genuine, given orally or by telephone, telegraph, e-mail, facsimile, cable or other means of communication. Should Adviser so request, Client agrees to confirm in writing any instructions or directions not originally furnished to Adviser in writing. Adviser shall not, however, be required to obtain Client's written approval regarding investment transactions for the Account. Adviser is not required to comply with any instructions that in Adviser's reasonable judgment may subject Adviser to liability or expense.

#### 13. Reports.

Adviser shall provide Client with holdings and such other data and reports as may be mutually agreed upon as soon as reasonably possible after the end of each quarterly period. The holdings of the Account will be valued based on market quotations. Where no such quotations are available, Adviser shall value holdings in a commercially reasonable manner.

#### 14. Limited Power of Attorney.

(a) Client does hereby constitute and appoint Adviser, in performing its duties under this Agreement, and its successors and assigns, and the officers of the foregoing, as Client's true and lawful attorney-in-fact, with full power of substitution, in Client's name, place and stead, to (i) negotiate, make, execute, sign, acknowledge, swear to, deliver, record and file any agreements, documents or instruments, including, but not limited to, wire transfer instructions, securities transfer documents (including stock and bond powers), and brokerage account and/or counter party trading documentation, which may be considered necessary or desirable by Adviser to carry out fully the provisions of this Agreement (subject at all times, however, to each and all of the limitations and stipulations set forth herein); and (ii) to perform all other acts contemplated by this Agreement or necessary, advisable or convenient to the day-to-day operations of the Account.

(b) Because this Limited Power of Attorney shall be deemed to be coupled with an interest in the Account assets, it shall be irrevocable and survive and not be affected by Client's subsequent death, incapacity, disability, insolvency or dissolution. However, this Limited Power of Attorney will become revocable upon the expiration of such interest and, therefore, this Limited Power of Attorney will terminate upon termination of this Agreement in accordance with Section 19 of this Agreement.

(c) Nothing herein is meant or shall be claimed, by either party, to confer upon Adviser custody, possession or control of or over any assets held in the Account.

#### 15. Fees and Expenses.

(a) For its services hereunder, Adviser shall charge a fee computed in accordance with the attached fee schedule ("Appendix A"), and Adviser shall send an invoice following each calendar quarter end. Invoices shall be paid by Client within 30 days. Fees will be based on the fair market value of securities and other assets, including cash, in the Account, except that no account-level fees shall be charged on Account assets invested in any

Affiliated Fund that is an open-end investment company registered under the 1940 Act with respect to which Adviser or any affiliate is paid a fund-level investment advisory fee. In computing the market value of any investment in the Account for purposes of this Agreement, all securities and other assets shall be valued using market quotations. Where no such quotations are available, Adviser shall value holdings in a commercially reasonable manner. If this Agreement shall commence or terminate between the Account's regular valuation dates, a pro rata adjustment shall be made with respect to the fee for such period.

(b) All brokerage commissions, if any, and other costs associated with the purchase or sale of securities and other investment instruments, Custodian fees, interest, taxes and other Account expenses shall be the responsibility of Client.

16. Limitation of Liability; Indemnity.

(a) Adviser shall not be liable with respect to its services hereunder, including loss resulting from diminution in value of any investment held in the Account, except for any direct (as opposed to incidental or consequential) loss attributable to Adviser's negligence or malfeasance. Adviser shall not be liable for any act or omission of Custodian or any broker which effects transactions for the Account. Without limiting the foregoing, Adviser does not assume responsibility for the accuracy of information furnished to it by Client, Custodian, broker, or by any person on whom it reasonably relies.

(b) Client shall indemnify and hold harmless Adviser, its affiliates, directors, officers, shareholders, members, managers, employees and agents for any loss, liability, cost, damage or expense, including reasonable attorneys' fees and costs (collectively, "Loss"), that arises out of or in connection with this Agreement, provided such Loss does not directly result from Adviser's negligence or malfeasance.

(c) Certain Federal and state laws that may apply to this Agreement may impose liabilities under certain circumstances on persons who act in good faith, and nothing herein shall in any way constitute a waiver or limitation of any

rights which Client may have under any such applicable law.

(d) This Section 16 shall survive the termination of this Agreement.

17. Confidentiality.

All information and advice furnished by either party to the other pursuant to this Agreement that shall be marked as confidential or by its nature or content would be considered by a reasonable person to be confidential shall be treated as confidential and shall not be disclosed to third parties except as required by law, provided that Adviser may provide information regarding the Account to its affiliates, third party service providers and their agents, and may exchange information with the Custodian or broker-dealers as necessary in conducting the business of the Account. However, Adviser will not sell or share confidential Client financial information with unaffiliated third parties, other than as described above.

Client further represents that it will not disseminate, trade or otherwise act upon any information relating to any transaction or activity undertaken by Adviser on behalf of the Account, except to the extent such dissemination, trade or other use is for the direct benefit of the Account, and agrees that such information shall be treated as confidential under this Agreement.

Notwithstanding any other terms of this Agreement, nothing shall prohibit a party from disclosing any information to any governmental agency, regulatory authority or self-regulatory authority claiming to have authority to regulate or oversee any aspect of its business, including (without limitation) bank and securities examiners.

18. Assignment.

No assignment (as that term is defined in the Advisers Act) of this Agreement may be made by Adviser without the consent of Client. Adviser may, however, at no additional cost or expense to Client, obtain information and assistance for the Account, without the consent of Client. Such assistance may include the hiring of one or more entities, including affiliates, to provide sub-advisory services. A

sub-adviser shall have all the rights and powers of Adviser set forth in this Agreement, and Adviser shall be as fully responsible to the Account for the acts and omissions of the sub-adviser as it is for its own acts and omissions.

19. Termination.

This Agreement may be terminated at any time upon 30 calendar days written notice by either party hereto. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under this Agreement prior to such termination date.

20. Notices.

All notices required to be delivered under this Agreement shall be in writing (including telegraphic communication, telex, facsimile, or electronic mail) and delivered to such addresses set forth on the signature page hereof, or as given from each party to the other in writing from time to time. All notices shall be effective upon receipt.

21. Entire Agreement; Governing Law.

This Agreement constitutes the entire agreement of the parties with respect to management of the Account and can be amended only by a written document signed by all parties. This Agreement replaces in its entirety the agreement dated January 1, 1994 entered into between Client and Boatmen's Trust Company. To the extent that state law is not preempted by the provisions of any law of the United States of America, all matters arising under or related to this Agreement shall be governed by, construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts.

22. No Waiver.

No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Any waiver granted hereunder must be in writing and shall

be valid only in the specific instance in which given.

23. Severability.

In the event that any provision of this Agreement is declared to be invalid, such declaration shall not be deemed to affect the validity of any of the other provisions of this Agreement, if both the economic and legal substance of the Agreement are not affected in any manner materially adverse to any party.

24. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all such counterparts shall be deemed to constitute one and the same instrument.

25. Headings.

The headings contained in this Agreement are for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

*Notice: Pursuant to requirements of law, including the USA PATRIOT Act, Adviser is obtaining information and will take necessary actions to verify your identity.*

**PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE CLIENTS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR THIS BROCHURE OR ACCOUNT DOCUMENT.**

**IN WITNESS WHEREOF**, each of the parties hereto has caused this agreement to be executed in its name and on its behalf as of the date first written above.

**CLIENT: KANSAS CITY POWER &**

**LIGHT WOLF CREEK NUCLEAR**

**DECOMMISSIONING TRUST**

by its authorized representative(s):

By:

\_\_\_\_\_

Printed

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Federal Taxpayer ID#: \_\_\_\_\_

Address for Notices:

\_\_\_\_\_

\_\_\_\_\_

Client's Primary Business Address, if different from Notices Address:

\_\_\_\_\_

\_\_\_\_\_

**ADVISER:**

**COLUMBIA MANAGEMENT ADVISORS,  
LLC**

By:

\_\_\_\_\_

Printed

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Address for Notices:**

Managing Director

One Financial Center

MA5-515-14-04

Boston, MA 02111

**APPENDIX A - FEE SCHEDULE**  
**KANSAS CITY POWER AND LIGHT WOLF CREEK NUCLEAR DECOMMISSIONING TRUST**

Effective \_\_\_\_\_, 2008, the following fee schedule shall be in effect:

For assets within any separately managed account governed by this Agreement and invested subject to the terms of the attached guidelines, an annual asset-based fee calculated as follows:

0.21% (21 basis points) on all assets

Fees are billed quarterly, in arrears, based on the market value of monthly average assets under management. Assets held in Affiliated Funds for which the Adviser receives a fund-level advisory fee will bear no account-level advisory fees pursuant to this schedule. Such assets will however be considered in applying the breakpoint and minimum annual fee provisions of this schedule. The fund-level advisory fee may be higher or lower than the account-level advisory fee that would be charged for those same assets. As a result, the overall costs to or expenses incurred by the Client may be higher for those assets invested in Affiliated Funds.

The Client prefers to arrange for payment of Adviser's fees as follows: (Please select one of the options below. If left blank, this Agreement will operate pursuant to the first option.)

\_\_\_\_\_ The Client authorizes Adviser to invoice the Custodian directly for its fees. Adviser will send a copy of the invoice to the Client at the same time that the Custodian is billed. The Custodian is hereby authorized and instructed by Client to make payment from the Account upon receipt of the Adviser's invoice.

\_\_\_\_\_ The Client prefers to be billed directly for Adviser's fees.

Agreed and accepted:

Kansas City Power & Light Wolf Creek  
Nuclear Decommissioning Trust

Columbia Management Advisors, LLC

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**APPENDIX B –CLIENT GUIDELINES**

Agreed and accepted:

Kansas City Power & Light Wolf Creek  
Nuclear Decommissioning Trust

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Columbia Management Advisors, LLC

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## APPENDIX C –CLIENT AUTHORIZATIONS

Each of the following activities creates a potential conflict of interest, as described below. Such potential conflicts of interest are in addition to those conflicts of interest set forth in the Standard Investment Management Disclosure Regarding Transactions with Affiliates and Conflicts of Interest provided herewith. Adviser will not engage in any of the activities described below on behalf of the Account without Client's authorization. If authorized by the Client herein, Adviser will engage in the activities described below only to the extent consistent with the KCP&L Wolf Creek Nuclear Decommissioning Trust Investment Guidelines ("Investment Guidelines"), all applicable law and its fiduciary duty under the Agreement, including its obligation to seek best execution for Account transactions. To the extent anything in Appendix C- Client Authorizations herein conflicts with the Investment Guidelines, the Investment Guidelines will control. Client may revoke authorization at any time in writing, provided that such revocation does not affect transactions entered into in reliance prior to receipt of notice of revocation. Adviser is not liable for any loss resulting from its inability to engage in any of the activities described below if such activities were not authorized by the Client in writing herein

**Instructions:** Check the "AUTHORIZED" box if Client authorizes Adviser to engage in the transaction; or Check the "NOT AUTHORIZED" box if Client does not authorize the Adviser to engage in the transaction.

**Authorization To Use Affiliated Broker-Dealers.** Client authorizes Adviser to engage Banc of America Securities LLC, or any other broker-dealer that is or subsequently becomes affiliated with Adviser (the "affiliated brokers") to act as a broker or dealer to execute transactions on behalf of Client. Client understands that the Account will be charged by the affiliated brokers for their services, without a reduction of any compensation paid by Client to Adviser pursuant to the Agreement.

☒ AUTHORIZED

☐ NOT AUTHORIZED

**Authorization To Engage in Cross-Trades.** Client authorizes Adviser and its affiliates to effect agency (as opposed to principal) transactions for the Account with other accounts for which Adviser or an affiliate provides investment advisory services ("Cross Trades"). Such Cross Trades are intended to enable Adviser to purchase or sell securities for the Account at a set price and possibly avoid an unfavorable price movement that may be created through entrance into the market with such purchase or sell order. Except to the extent permitted by applicable law, neither Adviser nor any of its affiliates will receive any compensation for effecting such Cross Trades (other than investment management or advisory fees set forth in this Agreement).

☒ AUTHORIZED

☐ NOT AUTHORIZED

**Authorization to Engage in Agency Transactions with Affiliates.** Client authorizes Adviser and any affiliated brokers to execute agency transactions for the Account with the affiliated brokers ("Agency Transactions with Affiliates"). Agency Transactions with Affiliates are transactions where any affiliated broker acts as broker for both the Account and the other party to the transaction. In such transactions, the affiliated broker may receive commissions from both parties to such transaction, to the extent permitted by law, in addition to the customary investment management or advisory fee received by the Adviser under this Agreement.



☒ AUTHORIZED

☐ NOT AUTHORIZED

**Authorization to Purchase Affiliated Funds.** Adviser may invest account assets in interests of money market mutual funds, other investment companies, privately offered investment funds and other collective investment vehicles for which Adviser or its affiliates acts as investment adviser, sponsor or administrator ("Affiliated Funds"). Assets held in Affiliated Funds for which the Adviser receives a fund-level advisory fee will bear no account-level advisory fees pursuant the Client's Fee Schedule. The fund-level advisory fee may be higher or lower than the account-level advisory fee that would be charged for those same assets. As a result, the overall costs to or expenses incurred by the Client may be higher for those assets invested in Affiliated Funds.

☒ AUTHORIZED

☐ NOT AUTHORIZED

**Authorization to Purchase Securities Issued by Bank of America and its Affiliates.** Adviser may invest account assets in securities issued by Bank of America Corporation or other affiliates of Adviser.

☒ AUTHORIZED

☐ NOT AUTHORIZED

#### ADDITIONAL CLIENT AUTHORIZATIONS

**Authorization to Purchase Futures Contracts.** Adviser may invest Account assets in futures contracts. Futures contracts are generally bought and sold on the commodities exchanges where they are listed with payment of initial and variation margin. The sale of a futures contract creates a firm obligation by the seller to deliver to the buyer the specific type of financial instrument called for in the contract at a specific future time for a specified price. The purchase of a futures contract creates a firm obligation by the buyer to accept delivery from the seller of the specific type of financial instrument called for in the contract at a specific future time for a specified price.

Client represents that it is a "qualified eligible person" for purposes of and as that term is defined in Rule 4.7 of the Commodity Futures Trading Commission (a copy of such definition is attached hereto as Exhibit C-1), and agrees to notify Adviser in writing in the event that this representation is no longer true.

☐ AUTHORIZED AND AGREED

☒ NOT AUTHORIZED

**Privately Offered Securities.** In connection with the purchase or purchases of privately offered securities pursuant to Rule 144A of the Securities Act of 1933, Client certifies that it is familiar with Rule 144A, that it is a "Qualified Institutional Buyer" as defined in Section (a)(1) of Rule 144A, and that Adviser is authorized to purchase such securities for the Account.

☐ AUTHORIZED (Client is a QIB under Rule 144A)

☒ NOT AUTHORIZED

Agreed and accepted:

Kansas City Power & Light Wolf Creek  
Nuclear Decommissioning Trust

---

Name

---

Title

---

Date

## EXHIBIT C-1

### QUALIFIED ELIGIBLE PERSON AS DEFINED IN CFTC RULE 4.7

I. ***Persons who do not need to satisfy the Portfolio Requirement to be qualified eligible persons:***  
*Qualified eligible person* means any person, acting for its own account or for the account of a qualified eligible person, who the commodity pool operator reasonably believes, at the time of the sale to that person of a pool participation in the exempt pool, or who the commodity trading advisor reasonably believes, at the time that person opens an exempt account, is:

(i) A futures commission merchant registered pursuant to section 4d of the Commodity Exchange Act (the “Act”), or a principal thereof;

(ii) A broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934, or a principal thereof;

(iii) A commodity pool operator registered pursuant to section 4m of the Act, or a principal thereof; *Provided*, That the pool operator:

(A) Has been registered and active as such for two years; or

(B) Operates pools which, in the aggregate, have total assets in excess of \$5,000,000;

(iv) A commodity trading advisor registered pursuant to section 4m of the Act, or a principal thereof; *Provided*, That the trading advisor:

(A) Has been registered and active as such for two years; or

(B) Provides commodity interest trading advice to commodity accounts which, in the aggregate, have total assets in excess of \$5,000,000 deposited at one or more futures commission merchants;

(v) An investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 (“Investment Advisers Act”) or pursuant to the laws of any state, or a principal thereof; *Provided*, That the investment adviser:

(A) Has been registered and active as such for two years; or

(B) Provides securities investment advice to securities accounts which, in the aggregate, have total assets in excess of \$5,000,000 deposited at one or more registered securities brokers;

(vi) A “qualified purchaser” as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (the “Investment Company Act”);

(vii) A “knowledgeable employee” as defined in §270.3c-5 of this title;

(viii)

(A) With respect to an exempt pool:

(1) The commodity pool operator, commodity trading advisor or investment adviser of the exempt pool offered or sold, or an affiliate of any of the foregoing;

(2) A principal of the exempt pool or the commodity pool operator, commodity trading advisor or investment adviser of the exempt pool, or of an affiliate of any of the foregoing;

(3) An employee of the exempt pool or the commodity pool operator, commodity trading advisor or investment adviser of the exempt pool, or of an affiliate of any of the

foregoing (other than an employee performing solely clerical, secretarial or administrative functions with regard to such person or its investments) who, in connection with his or her regular functions or duties, participates in the investment activities of the exempt pool, other commodity pools operated by the pool operator of the exempt pool or other accounts advised by the trading advisor or the investment adviser of the exempt pool, or by the affiliate; *Provided*, That such employee has been performing such functions and duties for or on behalf of the exempt pool, pool operator, trading advisor, investment adviser or affiliate, or substantially similar functions or duties for or on behalf of another person engaged in providing commodity interest, securities or other financial services, for at least 12 months;

(4) Any other employee of, or an agent engaged to perform legal, accounting, auditing or other financial services for, the exempt pool or the commodity pool operator, commodity trading advisor or investment adviser of the exempt pool, or any other employee of, or agent so engaged by, an affiliate of any of the foregoing (other than an employee or agent performing solely clerical, secretarial or administrative functions with regard to such person or its investments); *Provided*, That such employee or agent:

(i) Is an accredited investor as defined in §230.501(a)(5) or (6) of this title; and

(ii) Has been employed or engaged by the exempt pool, commodity pool operator, commodity trading advisor, investment adviser or affiliate, or by another person engaged in providing commodity interest, securities or other financial services, for at least 24 months;

(5) The spouse, child, sibling or parent of a person who satisfies the criteria of paragraph (a)(2)(viii)(A)(I), (2), (3) or (4) of this section; *Provided*, That:

(i) An investment in the exempt pool by any such family member is made with the knowledge and at the direction of the person; and

(ii) The family member is not a qualified eligible person for the purposes of paragraph (a)(3)(xi) of this section;

(6)

(i) Any person who acquires a participation in the exempt pool by gift, bequest or pursuant to an agreement relating to a legal separation or divorce from a person listed in paragraph (a)(2)(viii)(A)(I), (2), (3), (4) or (5) of this section;

(ii) The estate of any person listed in paragraph (a)(2)(viii)(A)(I), (2), (3), (4) or (5) of this section; or

(iii) A company established by any person listed in paragraph (a)(2)(viii)(A)(I), (2), (3), (4) or (5) of this section exclusively for the benefit of (or owned exclusively by) that person and any person listed in paragraph (a)(2)(viii)(A)(6)(i) or (ii) of this section;

(B) With respect to an exempt account:

(1) An affiliate of the commodity trading advisor of the exempt account;

(2) A principal of the commodity trading advisor of the exempt account or of an affiliate of the trading advisor;

(3) An employee of the commodity trading advisor of the exempt account or of an affiliate of the trading advisor (other than an employee performing solely clerical, secretarial or administrative functions with regard to such person or its investments) who, in connection with his or her regular functions or duties, participates in the investment activities of the trading advisor or the affiliate; *Provided*, That such employee has been performing such functions and duties for or on behalf of the

trading advisor or the affiliate, or substantially similar functions or duties for or on behalf of another person engaged in providing commodity interest, securities or other financial services, for at least 12 months;

(4) Any other employee of, or an agent engaged to perform legal, accounting, auditing or other financial services for, the commodity trading advisor of the exempt account or any other employee of, or agent so engaged by, an affiliate of the trading advisor (other than an employee or agent performing solely clerical, secretarial or administrative functions with regard to such person or its investments); *Provided*, That such employee or agent:

(i) Is an accredited investor as defined in §230.501(a)(5) or (a)(6) of this title; and

(ii) Has been employed or engaged by the commodity trading advisor or the affiliate, or by another person engaged in providing commodity interest, securities or other financial services, for at least 24 months; or

(5) The spouse, child, sibling or parent of the commodity trading advisor of the exempt account or of a person who satisfies the criteria of paragraph (a)(2)(viii)(B)(I), (2), (3) or (4) of this section; *Provided*, That:

(i) The establishment of an exempt account by any such family member is made with the knowledge and at the direction of the person; and

(ii) The family member is not a qualified eligible person for the purposes of paragraph (a)(3)(xi) of this section;

(6)

(i) Any person who acquires an interest in an exempt account by gift, bequest or pursuant to an agreement relating to a legal separation or divorce from a person listed in paragraph (a)(2)(viii)(B)(I), (2), (3), (4) or (5) of this section;

(ii) The estate of any person listed in paragraph (a)(2)(viii)(B)(I), (2), (3), (4) or (5) of this section; or

(iii) A company established by any person listed in paragraph (a)(2)(viii)(B)(I), (2), (3), (4) or (5) of this section exclusively for the benefit of (or owned exclusively by) that person and any person listed in paragraph (a)(2)(viii)(B)(6)(i) or (ii) of this section;

(ix) A trust; *Provided*, That:

(A) The trust was not formed for the specific purpose of either participating in the exempt pool or opening an exempt account; and

(B) The trustee or other person authorized to make investment decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a qualified eligible person;

(x) An organization described in section 501(c)(3) of the Internal Revenue Code (the "IRC"); *Provided*, That the trustee or other person authorized to make investment decisions with respect to the organization, and the person who has established the organization, is a qualified eligible person;

(xi) A Non-United States person;

(xii)

(A) An entity in which all of the unit owners or participants, other than the commodity trading advisor claiming relief under this section, are qualified eligible persons;

(B) An exempt pool; or

(C) Notwithstanding paragraph (a)(3) of this section, an entity as to which a notice of eligibility has been filed pursuant to §4.5 which is operated in accordance with such rule and in which all unit owners or participants, other than the commodity trading advisor claiming relief under this section, are qualified eligible persons.

II. ***Persons who must satisfy the Portfolio Requirement to be qualified eligible persons:*** *Qualified eligible person* means any person who the commodity pool operator reasonably believes, at the time of the sale to that person of a pool participation in the exempt pool, or any person who the commodity trading advisor reasonably believes, at the time that person opens an exempt account, satisfies the Portfolio Requirement and is:

(i) An investment company registered under the Investment Company Act or a business development company as defined in section 2(a)(48) of such Act not formed for the specific purpose of either investing in the exempt pool or opening an exempt account;

(ii) A bank as defined in section 3(a)(2) of the Securities Act of 1933 (the “Securities Act”) or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act acting for its own account or for the account of a qualified eligible person;

(iii) An insurance company as defined in section 2(13) of the Securities Act acting for its own account or for the account of a qualified eligible person;

(iv) A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000;

(v) An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974; *Provided*, That the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is a bank, savings and loan association, insurance company, or registered investment adviser; or that the employee benefit plan has total assets in excess of \$5,000,000; or, if the plan is self-directed, that investment decisions are made solely by persons that are qualified eligible persons;

(vi) A private business development company as defined in section 202(a)(22) of the Investment Advisers Act;

(vii) An organization described in section 501(c)(3) of the IRC, with total assets in excess of \$5,000,000;

(viii) A corporation, Massachusetts or similar business trust, or partnership, limited liability company or similar business venture, other than a pool, which has total assets in excess of \$5,000,000, and is not formed for the specific purpose of either participating in the exempt pool or opening an exempt account;

(ix) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of either his purchase in the exempt pool or his opening of an exempt account exceeds \$1,000,000;

(x) A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(xi) A pool, trust, insurance company separate account or bank collective trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of either participating in the exempt pool or opening an exempt account, and whose participation in the exempt pool or investment in the exempt account is directed by a qualified eligible person; or

(xii) Except as provided for the governmental entities referenced in paragraph (a)(3)(iv) of this section, if otherwise authorized by law to engage in such transactions, a governmental entity (including the United States, a state, or a foreign government) or political subdivision thereof, or a multinational or supranational entity or an instrumentality, agency, or department of any of the foregoing.

**COLUMBIA MANAGEMENT ADVISORS, LLC**  
**STANDARD INVESTMENT MANAGEMENT AGREEMENT DISCLOSURE OF**  
**TRANSACTIONS WITH AFFILIATES AND POTENTIAL CONFLICTS OF INTEREST**

Columbia Management Advisors, LLC (“Adviser”) is affiliated with Bank of America Corporation, a diversified financial services company that directly or through affiliates provides a wide variety of banking, securities, insurance and other investment services to a broad array of customers, which relationships could give rise to conflicts of interest. The transactions and activities described below present potential conflicts of interest. Adviser may engage in these transactions or activities on behalf its investment management clients to the extent that doing so is consistent with its fiduciary duty under the Investment Management Agreement (“Agreement”), and is not otherwise prohibited by the client’s Guidelines and Authorizations (collectively referred to herein as “Investment Guidelines”). If the account is a plan that is governed by ERISA, such transactions and activities shall only be conducted in compliance with applicable ERISA rules, regulations and exemptions.

- Subject to applicable law, Adviser may pay certain fees to, and/or share revenues with, affiliates and third parties in connection with referrals and other services provided in connection with its investment advisory business.
- To the extent consistent with the client’s Investment Guidelines and applicable law, Adviser may purchase securities of companies with which Adviser or its affiliates maintain commercial banking or other relationships.
- To the extent consistent with the client’s Investment Guidelines and applicable law, Adviser may invest account assets in interests of money market mutual funds, other investment companies, privately offered investment funds or other collective investment vehicles that are not affiliated with the Adviser (each, a “Fund”). Adviser or its affiliates may receive fees from a Fund or its affiliates for services to such Fund, including fees payable under a plan adopted pursuant to Rule 12b-1 under the 1940 Act, in addition to, and without reduction of, customary advisory fees paid to Adviser by the client.
- To the extent consistent with the client’s Investment Guidelines and applicable law, Adviser may purchase, sell or otherwise deal with securities or other assets for which (i) an affiliate of Adviser, (ii) an entity in which Adviser or an affiliate has a direct or indirect personal interest, or (iii) another member of a syndicate or other intermediary (where an entity referred to in (i) or (ii) above is or was a member of the syndicate), has acted, now acts, or in the future may act as an underwriter, syndicate member, marketmaker, dealer, broker, or in any other similar capacity, whether the purchase, sale or dealing occurs during the life of the syndicate or after the close of the syndicate.
- To the extent consistent with the client’s Investment Guidelines and applicable law, Adviser may purchase variable amount unsecured demand notes for a client account, the issuers of which may be customers of a bank affiliated with Adviser.

**Part II of Adviser’s Form ADV contains additional disclosure regarding potential conflicts of interest which disclosure may be amended from time to time. Clients should also refer to the Client Authorizations attached to their Agreement for additional conflicts of interest that may be applicable to their account.**



## **APPENDIX C**

**INVESTMENT ADVISORY AGREEMENT  
WITH DUFF & PHELPS INVESTMENT MANAGEMENT CO.**

## **INVESTMENT ADVISORY AGREEMENT**

**RE: KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST**

**DUFF & PHELPS INVESTMENT MANAGEMENT CO.** (the “Adviser”) and the undersigned (“Client”) hereby agree that the Adviser shall act as investment adviser with respect to Client’s above captioned account(s) (the “Account(s)”), effective on [insert date] on the following terms and conditions of the agreement (the “Agreement”).

1. **Appointment of Adviser**

Client hereby engages the Adviser and delegates to the Adviser the power to manage (including the power to acquire or dispose of), in accordance with the terms and conditions of this Agreement, the assets of the Account(s). The "Account(s)" shall mean the assets of the Client which are acceptable to the Adviser and which by notice given to the Adviser are placed in the Account(s), and the investments and reinvestments of, and all income earned by, or distributions received with respect to, any assets in the Account(s), subject to the provisions of paragraph 2 of this Agreement. The Adviser hereby acknowledges and warrants that it is a duly registered investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and shall notify Client promptly of any termination or revocation of that registration.

2. **Investment Direction**

The Client's fundamental investment policies and any applicable investment guidelines are set forth in the Investment Guidelines attached as Schedule A, Part I, as amended from time to time by Client and provided to the Advisor and any further specific written restrictions and limitations which Client shall provide to Advisor. The Client hereby directs the Adviser to select investments for the Account(s) in compliance with such policies and in accordance with such guidelines.

All interest payments and other distributions with respect to any security or other property in the Account(s) shall be reinvested, unless Client provides written notice to the contrary to Adviser. Client agrees to provide Adviser with written notice of additions to, and withdrawals from the Account(s).

Upon receiving written notice from the Client that a specified cash amount is required from the Account(s), the Adviser shall liquidate such portion of the Account(s) as may be necessary to provide the specified cash amount. The Adviser shall in its sole discretion select the assets of the Account(s) to be liquidated in such event, provided that the Investment Guidelines shall be complied with to the extent possible after giving effect to such liquidation. The directions contained herein may be modified at any time by the Client by notice in writing to the Adviser.

3. **Adviser’s Discretion and Authority**

Adviser shall have full discretion and authority to manage the Account(s). The Adviser, as Client’s agent and attorney in fact and at Client’s expense, is duly authorized with respect to the Account, without any further approval except as otherwise required by law, (a) to make all investment decisions; (b) to buy, sell and otherwise deal with the assets; and (c) in furtherance of the foregoing, to do anything which the

which the Adviser shall deem requisite, appropriate or advisable, including without limitation, the submission of instructions to the Custodian (as defined below) of the Account.

The Adviser is not authorized to take physical possession of the assets of the Account(s) and the Custodian (as defined in Section 4) shall have sole responsibility for holding and safekeeping the assets.

4. **Custody of Securities**

The Client will select, establish and maintain a custody account(s) with a qualified custodian, ("Custodian") as defined pursuant to the adopting amendments to Rule 206(4)-2 under the Investment Advisers Act of 1940 (the "Advisers Act"), that is acceptable to the Adviser for all assets in the Account(s). The Custodian must provide the Client an account statement no less frequently than quarterly. The Client agrees to give the Adviser at least thirty (30) days' prior written notice of any change of Custodian. The Custodian shall make settlement of purchases and sales of such assets upon orders placed by the Adviser pursuant to the Custodian's established procedures. The Adviser is authorized to enter into an agreement with the Custodian to use the Depository Trust Company's Institutional Delivery System for trade confirmation and settlement. Client agrees to provide Adviser with copies of monthly Custodian statements for the Account(s) if so requested.

5. **Investment Advisory Fees**

In consideration of the services to be performed by the Adviser pursuant to the terms of this Agreement, the Client will pay to Adviser compensation in accordance with the attached Schedule A, Part II. For purposes of the calculation of the fee, the value of the securities (including all cash and cash equivalents) in the Account(s) shall be determined as of the Appraisal Date at the end of each calendar quarter in which such compensation will be charged quarterly in arrears directly to the Client. If the Adviser shall serve for less than the whole of any calendar quarter, its compensation shall be determined on the basis of the value of assets in the Account(s) on the date of termination and shall be payable on a pro rata basis for the period of the calendar quarter for which it has served as Adviser hereunder. Securities and other assets will, for purpose of determining compensation to the Adviser, be valued at market value or, in absence of market value, at fair value as determined in good faith by the Trustee / Custodian.

6. **Brokerage**

Client authorizes the Adviser to select brokers to effect transactions for the Account(s). The Adviser may, in the allocation of portfolio brokerage business and the payment of brokerage commissions, consider the brokerage and research services furnished the Adviser by brokers and dealers, in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended. The Adviser is not required to use brokers solely because they charge the lowest commission.

7. **Voting Rights; Legal Proceedings**

Voting of proxies with respect to portfolio securities shall be performed by the Adviser unless a written direction to the contrary is provided by the Client. The Adviser as a fiduciary to the Account(s) shall exercise such voting rights in a manner, which the Adviser reasonably believes will maximize the long-term value of the Account(s). The Adviser shall not be required to take any action with respect to legal proceedings relating to the Account(s), including without limitation bankruptcy or insolvency proceedings

proceedings or class action lawsuits.

8. **Confidentiality**

All information and recommendations furnished by either party to the other shall at all times be treated in strictest confidence, and shall not be disclosed to third party persons except as may be required by law, or except upon the prior written approval of the other party to this Agreement.

9. **Reports to Client**

The Adviser will provide the Client with an appraisal of the Account(s) as of the last day of each calendar quarter on which the New York Stock Exchange is open (the "Appraisal Date") during the term of this Agreement. Such appraisal shall include a written statement of each individual asset held in the Account(s) on the Appraisal Date.

The Adviser shall keep accurate and detailed accounts of any investments, receipts and disbursements, and other transactions hereunder, and all such accounts and the books and records relating thereto shall be open to inspection at all reasonable times by the Client and by any other person entitled by law to inspect such records.

Upon written request, the Adviser will make available to the Client any information in the Adviser's possession which may be required by the Client in fulfilling any reporting, disclosure, or recordkeeping obligation imposed on the Client by applicable law.

10. **Assignment**

No assignment (as the term is defined in the Adviser's Act) of this Agreement shall be made by the Adviser without the consent of the Client.

11. **Renewal and Termination**

This contract may be terminated by either the Client or the Adviser upon 30 days written notice of such termination delivered to the other party.

12. **Non-Exclusive Contract**

It is understood that the Adviser renders investment advisory services for clients and customers other than the Account(s). Nothing in this agreement shall be deemed to impose upon the Adviser any obligation to purchase or sell or to recommend for purchase or sale by or for the Account(s) any security or other property which the officers or employees of the Adviser may purchase or sell for their own accounts or which the Adviser may purchase or sell for the account of any other client or customer. Client recognizes that transactions in a specific security may not be accomplished for all clients' accounts at the same time or at the same price. The Adviser may aggregate orders for the purchase or sale of particular securities for multiple client accounts, may allocate investment opportunities among client accounts, pursuant to the procedures disclosed in Part II of the Adviser's Form ADV in effect at the time of such transaction. Client

transaction. Client hereby consents to the procedures described in that disclosure, as it may be amended from time to time.

13. **Liability for Losses**

Except as otherwise provided herein, Client specifically acknowledges and agrees that except for loss resulting from negligence, breach of this Agreement, misfeasance, bad faith or reckless disregard on the part of the Adviser in performance of its duties hereunder, neither Adviser or any of the Adviser's officers, directors, shareholders, agents or employees shall be liable hereunder for any action taken or not taken in providing services hereunder. Adviser cannot guarantee the performance of the Account, guarantee any specific level of performance or guarantee that the Adviser's investment decisions, strategies or overall management of the Account(s) will be successful. The investment decisions the Adviser will make for the Client are subject to various market, currency, economic, political and business risks and may not necessarily be profitable. In managing the Account(s), Adviser will not consider any other securities, cash or other investments Client owns that are not in the Account(s). The Adviser will not be liable to Client for any loss caused by the Client's instructions or using inaccurate, outdated or incomplete information furnished by Client or caused by any acts or omissions of the Custodian, any broker or broker/dealer or bank to which Adviser directs transaction for the Account(s) or any person. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and this Agreement does not waive or limit Client's rights under those laws.

14. **Force Majeure**

Adviser will not be responsible for losses caused directly or indirectly by conditions beyond its reasonable control, including, but not limited to, war, natural disasters, governmental restrictions, exchange or market rulings or emergencies, strikes, interruptions of communications or data processing services, or disruptions in orderly trading on any exchange or market.

15. **Notices**

All notices and instructions with respect to any matters contemplated by this Agreement shall be deemed duly given when delivered in writing to the receiving party, at the respective address as such party shall have specified to the other party by notice similarly given. Unless otherwise provided, notices shall be effective on the date received.

16. **Authority to Perform**

Each of the parties to this Agreement hereby represent that they are duly authorized and empowered to execute, deliver, and perform this Agreement and the transactions contemplated hereby, that such actions do not conflict with or violate any provision of law or contract.

17. **Governing Law**

The laws of the State of Illinois shall control all matters relating to this Agreement and shall apply to the extent not preempted by Federal law.

18. **Miscellaneous**

Client hereby acknowledges receipt of Part II of the Adviser's Form ADV as required by Rule 204-3 under the Investment Advisers Act of 1940 prior to or on the date of the execution of this Agreement. If the Client has received said Part II of the Adviser's Form ADV less than forty-eight hours prior to the execution of this Agreement, the Client shall have the option to terminate this Agreement without penalty within five business days after the date of execution; provided, however, that any investment action taken by Adviser with respect to the Account(s) prior to the effective date of such termination shall be at the Client's risk.

19. **Construction**

Headings used in the agreement are for convenience only and shall not affect the construction or interpretation of any of its provisions. Each of the provisions of this agreement is severable, and the invalidity or inapplicability of one or more provisions, in whole or in part, shall not affect any other provision.

This Agreement is the entire agreement of the parties with respect to management of the assets in the Account(s) and subject to the terms of paragraph 5, may not be amended except by a writing signed by the parties.

This Agreement shall be effective as of the day and year first above written.

**DUFF & PHELPS INVESTMENT  
MANAGEMENT CO.**

**KCP&L WOLF CREEK NUCLEAR  
DECOMMISSIONING TRUST**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attachment: Schedule A, Parts I, and II.

**INVESTMENT GUIDELINES**

**Attachment :** KCP&L WOLF CREEK NUCLEAR DECOMMISSIONING TRUST  
INVESTMENT GUIDELINES  
DATED

**INVESTMENT MANAGER COMPENSATION**

The Adviser shall be paid a fee as specified below by the Client as full compensation for services rendered under the Investment Advisory Agreement effective [REDACTED], 2009.

Upon presentation of an invoice by the Adviser, after the close of each quarter, the Client shall pay the Adviser a management fee that shall be calculated on the value of the assets of the Account(s) as determined by the Trustee / Custodian and paid at one-fourth of the following annual fee rates:

First \$30 million, 0.10%;  
Next \$30 million, 0.09%;  
Next \$40 million, 0.08%;  
Next \$100 million, 0.07%;  
Next \$100 million, 0.06%;  
Amounts Over \$300 million, 0.05%.

Client hereby authorizes that the Adviser's fee for the Account be deducted from the Account at the Custodian. \_\_\_\_\_(initial)

For the purposes of this fee schedule the following account(s) all Client accounts will be combined for calculating the total market value of the Account. Client agrees to pay a minimum annual management fee of \$7,500.00.