

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application of	)	
The Empire District Electric Company	)	
for Authority to Issue and Sell Under its	)	
Existing Indenture of Mortgage and Deed	)	
of Trust Dated as of September 1, 1944,	)	Case No. EF-2009-0180
as Amended and Supplemented, up to and	)	
Including \$250,000,000 Principal Amount of	)	
its First Mortgage Bonds, in One or More	)	
Series and to, Among Other Things,	)	
Execute and Deliver a Supplemental	)	
Indenture or Indentures to Provide for the	)	
Terms of Said Bonds	)	

**NOTICE OF COMPLIANCE**

COMES NOW The Empire District Electric Company ("Empire" or the "Company") and states to the Commission as follows:

1. On January 27, 2009, the Commission issued an Order Granting Application ("Order") in the referenced case. The authority granted by the Order was subject to a number of conditions recommended by the Commission's staff.

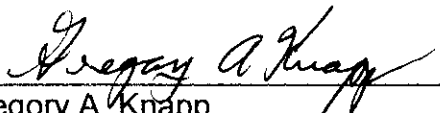
Among those was the following filing requirement:

(5) That the Company shall be required to file with the Commission all final terms and conditions on this financing including, but not limited to, the aggregate principal amount to be sold or borrowed, price information, estimated expenses, and the loan or indenture agreement concerning each issuance.

2. Empire on May 28, 2010, issued a new series of its first mortgage bonds pursuant to the authority granted by the Order and designated "\$100,000,000 First Mortgage Bonds, 4.65% Series due 2020" (the "Bonds").

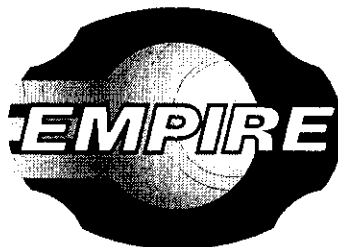
3. Pursuant to condition #5 of the Order, Empire submits herewith (1) a final term sheet (as prepared by Banc of America Securities) concerning the Bonds, (2) a copy of the Prospectus Supplement applicable to the Bonds, (3) an estimate of expenses and (4) a copy of the Thirty-Fifth Supplemental Indenture, supplemental to the Company's Indenture of Mortgage and Deed and Trust dated as of September 1, 1944.

Respectfully submitted,

  
\_\_\_\_\_  
Gregory A. Knapp  
Vice President – Finance and  
Chief Financial Officer

Prospectus Supplement  
May 24, 2010  
(To Prospectus dated August 15, 2008)

**\$100,000,000**



**SERVICES YOU COUNT ON**

# **The Empire District Electric Company**

## **First Mortgage Bonds, 4.65% Series due 2020**

We are offering \$100,000,000 aggregate principal amount of our First Mortgage Bonds, 4.65% Series due 2020. The bonds will mature on June 1, 2020. We will pay interest on the bonds semi-annually in arrears on June 1 and December 1 of each year, beginning December 1, 2010.

We may redeem some or all of the bonds at any time before their maturity date at our option at a "make-whole" redemption price described in this prospectus supplement under the caption "Description of the Bonds—Optional Redemption," plus accrued and unpaid interest, if any, to the redemption date. Bonds will be issued in denominations of \$1,000 and integral multiples thereof.

The bonds will be our senior secured obligations, will be secured by a first mortgage lien on substantially all the fixed property and franchises owned by The Empire District Electric Company (but not its subsidiaries), subject to certain exceptions and will rank equally with all bonds at any time outstanding under the mortgage.

We do not intend to list the bonds on any securities exchange. Currently, there is no public market for the bonds.

	<u>Per Bond</u>	<u>Total</u>
Price to public(1) . . . . .	99.786%	\$99,786,000
Underwriting discount . . . . .	0.650%	\$ 650,000
Proceeds, before expenses, to us(1) . . . . .	99.136%	\$99,136,000

(1) Plus accrued interest, if any, from May 28, 2010.

**Investing in the bonds involves risks. You should carefully read the entire accompanying base prospectus and this prospectus supplement, including the section entitled "Risk Factors" beginning on page S-4 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these bonds or determined if this prospectus supplement or the accompanying base prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

We expect that delivery of the bonds will be made through the book-entry facilities of The Depository Trust Company on or about May 28, 2010.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Wells Fargo Securities**

*Co-Managers*

**Morgan Keegan & Company, Inc.**

**US Bancorp**

You should rely only on the information contained in this prospectus supplement, the accompanying base prospectus, any related free writing prospectus filed by us and the documents we have incorporated by reference. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer of the bonds in any jurisdiction where the offer or sale is not permitted. You should not assume that the information provided by this prospectus supplement or the accompanying base prospectus, as well as the information we have previously filed with the Securities and Exchange Commission (the "SEC") that is incorporated by reference herein, is accurate as of any date other than its date. For purposes of this prospectus supplement and the accompanying base prospectus, unless the context otherwise indicates, when we refer to "us," "we," "our," "ours" or "Empire," we are describing ourselves, The Empire District Electric Company, together with our subsidiaries.

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### Prospectus

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## **ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement is a supplement to the accompanying base prospectus that is also a part of this document. This prospectus supplement and the accompanying base prospectus are part of a registration statement that we filed with the SEC using a “shelf” registration process. Under the shelf registration process, we may sell any combination of the securities described in the accompanying base prospectus up to an aggregate amount of \$400,000,000, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of this offering. Both this prospectus supplement and the accompanying base prospectus include important information about us, our bonds and other information you should know before investing in our bonds. This prospectus supplement also adds, updates and changes information contained in the accompanying base prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying base prospectus, the statements made in the accompanying base prospectus are deemed modified or superseded by the statements made in this prospectus supplement. You should read both this prospectus supplement and the accompanying base prospectus as well as the additional information described under the headings “Incorporation by Reference” in this prospectus supplement and “Where You Can Find More Information” in the accompanying base prospectus before investing in our bonds.

## SUMMARY

*This summary highlights information contained or incorporated by reference in this prospectus supplement and the accompanying base prospectus. Because it is a summary, it does not contain all the information you should consider before investing in the bonds. You should read this entire prospectus supplement and the accompanying base prospectus carefully, including the "Risk Factors" section and the information incorporated by reference, before making an investment decision.*

### **The Empire District Electric Company**

We operate our businesses as three segments: electric, gas and other. The Empire District Electric Company ("EDE"), a Kansas corporation organized in 1909, is an operating public utility engaged in the generation, purchase, transmission, distribution and sale of electricity in parts of Missouri, Kansas, Oklahoma and Arkansas. As part of our electric segment, we also provide water service to three towns in Missouri. The Empire District Gas Company ("EDG") is our wholly owned subsidiary engaged in the distribution of natural gas in Missouri. Our other segment consists of our fiber optics business. In 2009, 87.5% of our gross operating revenues were provided from sales from our electric segment (including 0.4% from the sale of water), 11.5% from our gas segment and 1.0% from our other segment.

The territory served by our electric operations embraces an area of about 10,000 square miles, located principally in southwestern Missouri, and also includes smaller areas in southeastern Kansas, northeastern Oklahoma and northwestern Arkansas. The principal economic activities of these areas include light industry, agriculture and tourism. Of our total 2009 retail electric revenues, approximately 89.1% came from Missouri customers, 5.1% from Kansas customers, 3.0% from Oklahoma customers and 2.8% from Arkansas customers.

We supply electric service at retail to 121 incorporated communities as of December 31, 2009, and to various unincorporated areas and at wholesale to four municipally owned distribution systems. The largest urban area we serve is the city of Joplin, Missouri, and its immediate vicinity, with a population of approximately 157,000.

Our electric operating revenues in 2009 were derived as follows: residential 41.6%, commercial 31.4%, industrial 15.2%, wholesale on-system 4.2%, wholesale off-system 3.3%, miscellaneous sources, primarily public authorities 2.7% and other electric revenues 1.6%. Our largest single on-system wholesale customer is the city of Monett, Missouri, which in 2009 accounted for approximately 3% of electric revenues. No single retail customer accounted for more than 2% of electric revenues in 2009.

Our gas operations, which are conducted by EDG, serve customers in northwest, north central and west central Missouri. We provide natural gas distribution to 44 communities and 310 transportation customers as of December 31, 2009. The largest urban area we serve is the city of Sedalia with a population of over 20,000.

Our gas operating revenues in 2009 were derived as follows: residential 63.1%, commercial 27.1%, industrial 3.6% and other 6.2%.

Our other segment consists of our fiber optics business which involves the leasing of fiber optics cable and equipment. As of December 31, 2009, we have 89 fiber customers.

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Our principal executive office is located at 602 S. Joplin Avenue, Joplin, Missouri 64801 and our telephone number there is (417) 625-5100.

### The Offering

Issuer .....	The Empire District Electric Company.
Offered Securities .....	\$100,000,000 aggregate principal amount of First Mortgage Bonds, 4.65% Series due 2020.
Ranking .....	<p>The bonds will be our senior secured obligations, will be secured by a first mortgage lien on substantially all the fixed property and franchises owned by The Empire District Electric Company (but not its subsidiaries), subject to certain exceptions and will rank equally with all bonds at any time outstanding under the mortgage.</p> <p>The bonds will be effectively subordinated to all indebtedness of our subsidiaries. At May 20, 2010, our subsidiaries had approximately \$55.0 million of indebtedness outstanding.</p>
Maturity Date .....	June 1, 2020.
Use of Proceeds .....	The net proceeds from this offering (after the payment of offering expenses) of approximately \$98.8 million will be used to redeem our trust preferred securities and to repay short-term debt incurred to fund the repayment, at maturity, of our 6½% first mortgage bonds due 2010. See "Use of Proceeds."
Interest Rate .....	The bonds will bear interest at the rate of 4.65% per annum from May 28, 2010 to, but excluding, June 1, 2020.
Interest Payment Dates .....	Interest on the bonds will be payable on June 1 and December 1 of each year, beginning on December 1, 2010.
Optional Redemption .....	We may redeem some or all of the bonds at any time before their maturity date at our option at a "make-whole" redemption price, together with accrued and unpaid interest, if any, to the redemption date. See "Description of the Bonds—Optional Redemption."

### Summary Financial Data

The following tables are a selection of certain of our financial information. This information is taken or derived from our audited consolidated financial statements for each of the years ended December 31, 2009, 2008 and 2007 contained in our Annual Report on Form 10-K for the year ended December 31, 2009 (the "2009 Annual Report") and from our unaudited consolidated financial statements contained in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (the "First Quarter 2010 Quarterly Report"). See "Incorporation by Reference" in this prospectus supplement and "Where You Can Find More Information" in the accompanying base prospectus. We urge you to read this financial information, together with our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the 2009 Annual Report and the First Quarter 2010 Quarterly Report.

	For the Year Ended December 31,			Three Months Ended March 31, 2010 (unaudited)
	2009	2008	2007	
	(in thousands, except ratios)			
<b>Income Statement Data:</b>				
Operating revenues . . . . .	\$497,168	\$518,163	\$490,160	\$139,893
Operating income . . . . .	74,495	71,012	65,566	16,078
Income from continuing operations . . . . .	41,296	39,722	33,181	8,586
Net income . . . . .	41,296	39,722	33,244	8,586
Ratio of earnings to fixed charges . . . . .	2.15x	2.19x	2.08x	2.45x
	As of March 31, 2010 (unaudited)			
	Actual		As adjusted(4)	
	Amount	Percentage	Amount	Percentage
	(in thousands, except percentage information)			
<b>Balance Sheet Data:</b>				
Cash and cash equivalents . . . . .	\$ 5,977	N/A	\$ 5,977	N/A
Current maturities of long-term debt(1) . . . . .	\$ 50,943	N/A	\$ 943	N/A
Short-term debt . . . . .	\$ 29,000	N/A	\$ 32,851	N/A
First mortgage bonds and secured debt(2) . . . . .	\$ 339,482	26.8%	\$ 439,482	33.4%
Unsecured debt . . . . .	247,852	19.6	247,852	18.8
Company obligated mandatorily redeemable trust preferred securities of subsidiary holding solely parent debentures(3) . . . . .	50,000	3.9	—	0.0
Obligations under capital lease . . . . .	2,526	0.2	2,526	0.2
Total long-term debt . . . . .	639,860	50.5	689,860	52.4
Common stockholders' equity . . . . .	626,092	49.5	626,092	47.6
Total long-term debt and common stockholders' equity	\$1,265,952	100.0%	\$1,315,952	100.0%

- (1) Includes \$50.0 million of 6½% first mortgage bonds due 2010 of The Empire District Electric Company that were paid at maturity on April 1, 2010.
- (2) Includes \$55.0 million of first mortgage bonds issued by The Empire District Gas Company.
- (3) Represents the 8½% trust preferred securities of Empire District Electric Trust I that are expected to be redeemed with the proceeds of this offering on or prior to June 30, 2010.
- (4) Adjusted to give effect to (a) the repayment at maturity of the 6½% first mortgage bonds described in note 1 above, including the payment of accrued but unpaid interest, with the proceeds of short-term debt and (b) the issuance of the first mortgage bonds offered hereby and the use of the net proceeds therefrom to (1) repay the short-term debt incurred to fund the repayment of the 6½% first mortgage bonds and (2) redeem the 8½% trust preferred securities described in note 3 above, at 100% of the liquidation amount thereof, including the payment of accumulated but unpaid distributions. See "Use of Proceeds."



## RISK FACTORS

*Investing in the bonds involves a high degree of risk. Before purchasing the bonds, you should carefully consider the following information about these risks, together with the other information incorporated by reference herein, including the information discussed under the caption "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as well as all of the other information included in this prospectus supplement and the accompanying base prospectus. Any of these risks, as well as other risks and uncertainties, could harm our financial condition, results of operations or cash flows. See also "Forward-Looking Statements" in this prospectus supplement.*

*Any reduction in our credit ratings could materially and adversely affect our business, financial condition and results of operations.*

Currently, our corporate credit ratings and the ratings for our securities are as follows:

	<u>Fitch</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
Corporate Credit Rating . . . . .	n/r*	Baa2	BBB-
EDE First Mortgage Bonds . . . . .	BBB+	A3	BBB+
Senior Notes . . . . .	BBB	Baa2	BBB-
Trust Preferred Securities . . . . .	BB+	Baa3	BB
Commercial Paper . . . . .	F2	P-2	A-3
Outlook . . . . .	Stable	Stable	Stable

\* Not rated.

The ratings indicate the agencies' assessment of our ability to pay interest, distributions and principal on these securities. A rating is not a recommendation to purchase, sell or hold securities and each rating should be evaluated independently of any other rating. The lower the rating, the higher the interest cost of the securities when they are sold. In addition, a downgrade in our senior unsecured long-term debt rating would result in an increase in our borrowing costs under our bank credit facility. If any of our ratings fall below investment grade (investment grade is defined as Baa3 or above for Moody's and BBB- or above for Standard & Poor's and Fitch), our ability to issue short-term debt, commercial paper or other securities or to market those securities would be impaired or made more difficult or expensive. Therefore, any such downgrades could have a material adverse effect on our business, financial condition and results of operations. In addition, any actual downgrade of our commercial paper rating from Moody's or Fitch, may make it difficult for us to issue commercial paper. To the extent we are unable to issue commercial paper, we will need to meet our short-term debt needs through borrowings under our revolving credit facilities, which may result in higher costs.

We cannot assure that any of our current ratings will remain in effect for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency if, in its judgment, circumstances in the future so warrant.

***We are exposed to increases in costs and reductions in revenue which we cannot control and which may adversely affect our business, financial condition and results of operations.***

The primary drivers of our electric operating revenues in any period are: (1) rates we can charge our customers, (2) weather, (3) customer growth and (4) general economic conditions. Of the factors driving revenues, weather has the greatest short-term effect on the demand for electricity for our regulated business. Mild weather reduces demand and, as a result, our electric operating revenues. In addition, changes in customer demand due to downturns in the economy could reduce our revenues.

The primary drivers of our electric operating expenses in any period are: (1) fuel and purchased power expenses, (2) maintenance and repairs expense, including repairs following severe

weather and plant outages, (3) taxes and (4) non-cash items such as depreciation and amortization expense. Although we generally recover these expenses through our rates, there can be no assurance that we will recover all, or any part of, such increased costs in future rate cases.

The primary drivers of our gas operating revenues in any period are: (1) rates we can charge our customers, (2) weather, (3) customer growth, (4) the cost of natural gas and interstate pipeline transportation charges and (5) general economic conditions. Because natural gas is heavily used for residential and commercial heating, the demand for this product depends heavily upon weather patterns throughout our natural gas service territory and a significant amount of our natural gas revenues are recognized in the first and fourth quarters related to the heating seasons. Accordingly, our natural gas operations have historically generated less revenues and income when weather conditions are warmer in the winter.

The primary driver of our gas operating expense in any period is the price of natural gas.

Significant increases in electric and gas operating expenses or reductions in electric and gas operating revenues may occur and result in a material adverse effect on our business, financial condition and results of operations.

*We are exposed to factors that can increase our fuel and purchased power expenditures, including disruption in deliveries of coal or natural gas, decreased output from our power plants, failure of performance by purchased power counterparties and market risk in our fuel procurement strategy.*

Fuel and purchased power costs are our largest expenditures. Increases in the price of coal, natural gas or the cost of purchased power will result in increased electric operating expenditures.

We depend upon regular deliveries of coal as fuel for our Riverton, Asbury and Iatan plants, and as fuel for the facility which supplies us with purchased power under our contract with Westar Energy. Substantially all of this coal comes from mines in the Powder River Basin of Wyoming and is delivered to the plants by train. Production problems in these mines, railroad transportation or congestion problems, or unavailability of trains could affect delivery cycle times required to maintain plant inventory levels, causing us to implement coal conservation and supply replacement measures to retain adequate reserve inventories at our facilities. These measures could include some or all of the following: reducing the output of our coal plants, increasing the utilization of our higher-cost gas-fired generation facilities, purchasing power from other suppliers, adding additional leased trains to our supply system and purchasing locally mined coal which can be delivered without using the railroads. Such measures could result in increased fuel and purchased power expenditures.

With the addition of the Missouri fuel adjustment mechanism effective September 1, 2008, we now have a fuel cost recovery mechanism in all of our jurisdictions, which significantly reduces our net income exposure to the impact of the risks discussed above. However, cash flow could still be impacted by these increased expenditures. We are also subject to prudence reviews which could negatively impact our net income if a regulatory commission would conclude our costs were incurred imprudently.

We have also established a risk management practice of purchasing contracts for future fuel needs to meet underlying customer needs and manage cost and pricing uncertainty. Within this activity, we may incur losses from these contracts. By using physical and financial instruments, we are exposed to credit risk and market risk. Market risk is the exposure to a change in the value of commodities caused by fluctuations in market variables, such as price. The fair value of derivative financial instruments we hold is adjusted cumulatively on a monthly basis until prescribed determination periods. At the end of each determination period, which is the last day of each calendar month in the period, any realized gain or loss for that period related to the contract will be reclassified to fuel expense and recovered or refunded to the customer through our fuel adjustment mechanisms. Credit risk is the risk that the counterparty might fail to fulfill its obligations under contractual terms.

*We may be unable to recover increases in the cost of natural gas from our natural gas utility customers, or may lose customers as a result of any price increases.*

In our natural gas utility business, we are permitted to recover the cost of gas directly from our customers through the use of a purchased gas adjustment provision. Our purchased gas adjustment provision is regularly reviewed by the MPSC. In addition to reviewing our adjustments to customer rates, the MPSC reviews our costs for prudence as well. To the extent the MPSC may determine certain costs were not incurred prudently, it could adversely affect our gas segment earnings and cash flows. In addition, increases in natural gas costs affect total prices to our customers and, therefore, the competitive position of gas relative to electricity and other forms of energy. Increases in natural gas costs may also result in lower usage by customers unable to switch to alternate fuels. Such disallowed costs or customer losses could have a material adverse effect on our business, financial condition and results of operations.

*We are subject to regulation in the jurisdictions in which we operate.*

We are subject to comprehensive regulation by federal and state utility regulatory agencies, which significantly influences our operating environment and our ability to recover our costs from utility customers. The utility commissions in the states where we operate regulate many aspects of our utility operations, including the rates that we can charge customers, siting and construction of facilities, pipeline safety and compliance, customer service and our ability to recover increases in our fuel and purchased power costs.

The FERC has jurisdiction over wholesale rates for electric transmission service and electric energy sold in interstate commerce. Federal, state and local agencies also have jurisdiction over many of our other activities.

Information concerning recent filings requesting increases in rates and related matters is set forth under Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Rate Matters" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

We are unable to predict the impact on our operating results from the regulatory activities of any of these agencies. Despite our requests, these regulatory commissions have sole discretion to leave rates unchanged, grant increases or order decreases in the base rates we charge our utility customers. They have similar authority with respect to our recovery of increases in our fuel and purchased power costs. If our costs increase and we are unable to recover increased costs through base rates or fuel adjustment clauses, or if we are unable to fully recover our investments in new facilities, our results of operations could be materially adversely affected. Changes in regulations or the imposition of additional regulations could also have a material adverse effect on our results of operations.

*Operations risks may adversely affect our business and financial results.*

The operation of our electric generation, and electric and gas transmission and distribution systems involves many risks, including breakdown or failure of expensive and sophisticated equipment, processes and personnel performance; operating limitations that may be imposed by equipment conditions, environmental or other regulatory requirements; fuel supply or fuel transportation reductions or interruptions; transmission scheduling constraints; and catastrophic events such as fires, explosions, severe weather or other similar occurrences.

We have implemented training, preventive maintenance and other programs, but there is no assurance that these programs will prevent or minimize future breakdowns, outages or failures of our generation facilities. In those cases, we would need to either produce replacement power from our

other facilities or purchase power from other suppliers at potentially volatile and higher cost in order to meet our sales obligations.

These and other operating events may reduce our revenues, increase costs, or both, and may materially affect our results of operations, financial position and cash flows.

***Financial market disruptions may increase financing costs, limit access to the credit markets or cause reductions in investment values in our pension plan assets.***

General market declines in 2008 and early 2009, resulting in part from the sub-prime mortgage issues, have generally reduced access to the capital markets. We estimate our capital expenditures to be \$110.9 million in 2010. Although we believe it is unlikely we will have difficulty accessing the markets for the capital needed to complete these projects, financing costs could fluctuate. Market conditions in 2008 negatively impacted the return on our pension plan and Other Postretirement Benefits (OPEB) assets in 2008. Our net pension and OPEB liability increased \$68.7 million in 2008. The market recovered in 2009, however our costs also increased, resulting in a \$0.7 million increase in our 2009 net pension and OPEB liability. We expect to be required to fund approximately \$15.2 million in 2010 for pension and OPEB liabilities. Future market declines could result in increased pension and OPEB liabilities and funding obligations.

***The cost and schedule of construction projects may materially change.***

We have entered into an agreement to purchase an undivided interest in 50 megawatts (7.5% ownership interest) of the Plum Point Energy Station's new 665-megawatt, coal-fired generating facility, scheduled for completion in the summer of 2010. We have also entered into an agreement with KCP&L to purchase an undivided ownership interest in the coal-fired Iatan 2 generating facility, scheduled for completion in the fourth quarter of 2010. We will own 12%, or approximately 100 megawatts, of the 850-megawatt unit.

There are risks that actual costs may exceed budget estimates, delays may occur in obtaining permits and materials, suppliers and contractors may not perform as required under their contracts, there may be inadequate availability, productivity or increased cost of qualified craft labor, start-up activities may take longer than currently planned, the scope and timing of projects may change, the re-baselined schedule may not be met and other events beyond our control, including the failure of one or more of the generation plant co-owners to pay their share of construction, operations and maintenance costs, may occur that may materially affect the schedule, budget, cost and performance of these projects. To the extent the completion of these projects is delayed, we expect that the timing of receipt of increases in base rates reflecting our investment in such projects will be correspondingly delayed. Costs associated with these projects will also be subject to prudence review by regulators as part of future rate case filings.

***We are subject to environmental laws and the incurrence of environmental liabilities which may adversely affect our business, financial condition and results of operations.***

We are subject to extensive federal, state and local regulation with regard to air and other environmental matters. Failure to comply with these laws and regulations could have a material adverse effect on our results of operations and financial position. In addition, new environmental laws and regulations, and new interpretations of existing environmental laws and regulations, have been adopted and may in the future be adopted which may substantially increase our future environmental expenditures for both new facilities and our existing facilities. Compliance with current and future air emission standards (such as those limiting emission levels of sulfur dioxide (SO<sub>2</sub>) and nitrogen oxide (NO<sub>x</sub>) and, potentially, carbon dioxide (CO<sub>2</sub>)) has required, and may in the future require, significant environmental expenditures. Although we have historically recovered such costs through our rates,

there can be no assurance that we will recover all, or any part of, such increased costs in future rate cases. The incurrence of additional material environmental costs which are not recovered in our rates may result in a material adverse effect on our business, financial condition and results of operations.

*We cannot assure you that an active trading market for the bonds will develop.*

We do not intend to apply for listing of the bonds on any securities exchange or automated quotation system. There can be no assurance as to the liquidity of any market that may develop for the bonds, the ability of the bondholders to sell their bonds or the price at which the bondholders will be able to sell the bonds. Future trading prices of the bonds will depend on many factors including, among other things, prevailing interest rates, our operating results and the market for similar securities.

The underwriters have informed us that they intend to make a market in the bonds. However, the underwriters are not obligated to do so, and any such market making activity may be terminated at any time without notice. If a market for the bonds does not develop, purchasers may be unable to resell the bonds for an extended period of time. Consequently, a bondholder may not be able to liquidate its investment readily.

### **USE OF PROCEEDS**

We estimate that the net proceeds from this offering (after payment of expenses) will be approximately \$98.8 million. We intend to use the net proceeds to (1) redeem all \$50.0 million of the outstanding 8½% trust preferred securities of Empire District Electric Trust I, which are expected to be redeemed on or prior to June 30, 2010, including the payment of accumulated but unpaid distributions, and (2) repay short-term debt incurred to fund the repayment of a portion of the \$50.0 million of the 6½% first mortgage bonds due 2010 of The Empire District Electric Company that were paid at maturity on April 1, 2010. As of May 20, 2010, we had \$64.0 million of short-term debt outstanding, bearing interest at a weighted average rate of 1.67% per annum.

## **DESCRIPTION OF THE BONDS**

The following information concerning the bonds supplements and should be read in conjunction with the statements under "Description of First Mortgage Bonds" in the accompanying base prospectus.

### **General**

The bonds will be issued as a new series of our first mortgage bonds under the mortgage (as defined in the accompanying base prospectus) as supplemented by the Thirty-Fifth Supplemental Indenture to be dated as of May 28, 2010.

We may from time to time without notice to, or the consent of, the holders of the bonds create and issue further bonds, equal in rank, of the same series and having the same terms as the bonds being offered by this prospectus supplement. Bonds will be issued in denominations of \$1,000 and integral multiples thereof.

The mortgage does not contain any covenants or other provisions that specifically are intended to afford holders of bonds special protection in the event of a highly leveraged transaction.

### **Interest and Maturity**

The bonds will bear interest at the rate of 4.65% per annum, payable on June 1 and December 1 of each year, beginning December 1, 2010. Interest will be paid to the person in whose name a bond is registered at the close of business on the May 15 or November 15 next preceding each semi-annual interest payment date. The bonds will mature on June 1, 2020.

Interest on the bonds will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. In the event that any date on which interest is payable on the bonds is not a business day, then payment of the interest payable on such date will be made on the next day that is a business day (and without any interest or other payment in respect of any such delay).

### **Ranking**

The bonds will be our senior secured obligations, will be secured by a first mortgage lien on substantially all the fixed property and franchises owned by The Empire District Electric Company (but not its subsidiaries), subject to certain exceptions, and will rank equally with all bonds at any time outstanding under the mortgage.

The bonds will be effectively subordinated to all indebtedness of our subsidiaries. At May 20, 2010, our subsidiaries had approximately \$55.0 million of indebtedness outstanding.

### **Sinking Fund**

There is no sinking fund applicable to any outstanding series of bonds and the Thirty-Fifth Supplemental Indenture will not provide a sinking fund for the bonds.

### **Dividend Restriction**

So long as any of the bonds are outstanding, we will not declare or pay any dividends (other than dividends payable in shares of our common stock) or make any other distribution on, or purchase (other than with the proceeds of additional common stock financing) any shares of, our common stock if the cumulative aggregate amount thereof after August 31, 1944 (excluding the first quarterly dividend of \$98,000) would exceed the sum of \$10.75 million and the earned surplus accumulated after

August 31, 1944, or the date of succession in the event another corporation succeeds to our rights and liabilities by a merger or consolidation.

### **Optional Redemption**

We may, at our option, redeem some or all of the bonds at any time. If we redeem the bonds prior to their maturity, we must pay you a redemption price equal to the greater of:

- (i) 100% of the principal amount of the bonds to be redeemed; and
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below), plus 25 basis points.

“Comparable Treasury Issue” means the U.S. Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the bonds to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such bonds.

“Comparable Treasury Price” means, with respect to any redemption date, (i) if the Trustee obtains four or more Reference Treasury Dealer Quotations, the average of such Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations, or (iii) if only one Reference Treasury Dealer Quotation is received, such quotation.

“Quotation Agent” means the Reference Treasury Dealer appointed by us.

“Reference Treasury Dealer” means (i) Banc of America Securities LLC (or its affiliates that are Primary Treasury Dealers) and its successors; *provided, however*, that if the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a “Primary Treasury Dealer”), we will substitute therefor another Primary Treasury Dealer; and (ii) any other Primary Treasury Dealer selected by us.

“Reference Treasury Dealer Quotation” means, with respect to any Reference Treasury Dealer and any redemption date, the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price of such redemption date.

When we redeem bonds, we must also pay all interest that has accrued to the redemption date on the redeemed bonds.

We will give notice to holders of bonds to be redeemed by first-class mail at least 30 days but not more than 60 days prior to the date fixed for redemption. The notice of redemption may provide that the redemption is conditioned upon the occurrence of certain events before the date fixed for redemption. If any of these events fail to occur and are not waived by us, the notice of redemption shall be of no effect, we will be under no obligation to redeem the bonds or pay you any redemption



proceeds, and our failure to so redeem the bonds will not be considered a default or event of default under the mortgage. If fewer than all of the bonds are to be redeemed, the trustee will select the particular bonds, or portions thereof, for redemption from the outstanding bonds by such method as the trustee considers fair and appropriate.

On and after the redemption date, interest will cease to accrue on the bonds or any portion of the bonds called for redemption unless, in the case of an unconditional notice of redemption, we default in the payment of the redemption price and accrued interest.

### **Book-Entry System**

DTC, New York, NY will act as securities depository for the bonds. The bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond (the "Global Bond") certificate will be issued for the bonds, in the aggregate principal amount of \$100,000,000, and will be deposited with the trustee, as custodian for DTC.

We understand that DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org). That information is not incorporated in or otherwise made a part of this prospectus supplement.

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

To facilitate subsequent transfers, all bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be

requested by an authorized representative of DTC. The deposit of bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any changes in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices, if any, will be sent to DTC. If less than all of the bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the bonds be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument Procedures. Under its usual procedures, DTC would mail an Omnibus Proxy to Empire as soon as possible after the relevant record date. The Omnibus Proxy assigns Cede & Co.'s (or such other DTC nominee's) consenting or voting rights to those Direct Participants to whose accounts the bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments and any redemption proceeds on the bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC has advised us and the trustee that its practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Empire or the trustee in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and any redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of us or the trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its bonds purchased or tendered, through its Participant, to tender agent, and shall effect delivery of such bonds by causing the Direct Participant to transfer the Participant's interest in the bonds, on DTC's records, to tender agent. The requirement for physical delivery of the bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered bonds to tender agent's DTC account.

DTC may discontinue providing its services as depositary with respect to the bonds at any time by giving reasonable notice to us or the trustee. Under such circumstances, in the event that a successor depositary is not obtained, bond certificates are required to be printed and delivered to the Beneficial Owners.

We may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depositary). In that event, bond certificates will be printed and delivered.

Beneficial Owners should consult with the Direct Participant or Indirect Participant from whom they purchased a book-entry interest to obtain information concerning the system maintained by such

Direct or Indirect Participant to record such interests, to make payments and to forward notices of redemption and other information.

None of us, the underwriters or the trustee has any responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, book-entry interest ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but neither we nor the underwriters take any responsibility for the accuracy thereof. Neither we, the mortgage trustees nor the underwriters will have any responsibility for the performance by DTC or its Participants of their respective obligations described above or under the rules and procedures governing their respective obligations.

## UNDERWRITING

We are offering the bonds described in this prospectus supplement through Banc of America Securities LLC, Wells Fargo Securities, LLC, Morgan Keegan & Company, Inc. and U.S. Bancorp Investments, Inc. Banc of America Securities LLC is the sole representative of the underwriters. We have entered into a firm commitment underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the aggregate principal amount of the bonds listed next to its name in the following table:

<u>Underwriters</u>	<u>Principal Amount of Bonds</u>
Banc of America Securities LLC .....	\$ 55,000,000
Wells Fargo Securities, LLC .....	30,000,000
Morgan Keegan & Company, Inc. ....	7,500,000
U.S. Bancorp Investments, Inc. ....	7,500,000
Total .....	<u>\$100,000,000</u>

The underwriting agreement is subject to a number of terms and conditions and provides that the underwriters must buy all of the bonds if they buy any of them. The underwriters will sell the bonds to the public when and if the underwriters buy the bonds from us.

The bonds sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus supplement. Any bonds sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price of up to 0.40% of the principal amount of bonds. Any such securities dealers may resell any bonds purchased from the underwriters to certain other brokers or dealers at a discount from the initial public offering price of up to 0.25% of the principal amount of bonds. If all of the bonds are not sold at the initial offering price, the underwriters may change the offering price and other selling terms.

Any underwriter may sell bonds to or through dealers, and such dealers may receive compensation in the form of discounts, commissions or concessions from the underwriters and/or from purchasers of bonds for whom they may act as agents or to whom they may sell as principal. In connection with the sale of the bonds, any discounts or commissions the underwriters and any dealers receive and any profits they realize if and when they resell the bonds may be deemed to be underwriting discounts or commissions.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts, will be approximately \$300,000.

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

The bonds are a new issue of securities with no established trading market. The bonds will not be listed on any securities exchange or on any automated dealer quotation system. The underwriters may make a market in the bonds after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the bonds or that an active public market for the bonds will develop. If an active public market for the bonds does not develop, the market price and liquidity of the bonds may be adversely affected.

In connection with the offering of the bonds, the representative may engage in transactions that stabilize, maintain or otherwise affect the price of the bonds. Specifically, the representative may

overallot in connection with the offering, creating a short position. In addition, the representative may bid for, and purchase, the bonds in the open market to cover short positions or to stabilize the price of the bonds. Any of these activities may stabilize or maintain the market price of the bonds above independent market levels, but no representation is made hereby of the magnitude of any effect that the transactions described above may have on the market price of the bonds. The representative will not be required to engage in these activities, and may engage in these activities, and may end any of these activities, at any time without notice.

The representative also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representative has repurchased bonds sold by or for the account of such underwriter in stabilizing or short covering transactions.

We expect to deliver the bonds against payment thereof in New York, New York on May 28, 2010, which will be the fourth business day following the date of the pricing of the bonds. Pursuant to Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade bonds on the date of this prospectus supplement will be required to specify alternative settlement arrangements to prevent a failed settlement. Purchasers of bonds who wish to trade bonds on the date of this prospectus supplement should consult their own advisors.

The underwriters and certain of their affiliates have provided from time to time, and may provide in the future, investment and commercial banking and financial advisory services to us and our affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. An affiliate of Banc of America Securities LLC is the syndication agent and a lender under both of our unsecured revolving credit facilities. An affiliate of Wells Fargo Securities, LLC is the documentation agent and a lender under both of our unsecured revolving credit facilities. An affiliate of each of the other underwriters is a lender under our \$150 million unsecured revolving credit facility. As the proceeds of this offering will be used, in part, to repay amounts outstanding under our \$150 million unsecured revolving credit facility, such affiliates will receive a portion of the proceeds. However, we do not expect that more than 5% of the net proceeds of this offering will be paid to any of the underwriters (or their affiliates).

## LEGAL MATTERS

Certain legal matters in connection with the bonds are being passed upon for us by Spencer, Scott & Dwyer, P.C., Joplin, Missouri; Anderson & Byrd, LLP, Ottawa, Kansas; Brydon, Swearengen & England, Professional Corporation, Jefferson City, Missouri; and Cahill Gordon & Reindel LLP, New York, New York. Certain legal matters are being passed upon for the underwriters by Dewey & LeBoeuf LLP.

## EXPERTS

The consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement and the accompanying prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2009 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

## INCORPORATION BY REFERENCE

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

Reports, proxy statements and other information concerning Empire can also be inspected and copied at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Additional information about Empire may be found over the Internet at our website at <http://www.empiredistrict.com>. The information on our website is not a part of this prospectus supplement or the accompanying base prospectus and is not incorporated by reference herein.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and the accompanying base prospectus, and information that we file later with the SEC will automatically update and supersede this information. In addition to the documents incorporated by reference in the section entitled "Where You Can Find More Information" in the accompanying base prospectus, we hereby incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus supplement and before the completion of the sale of all the securities covered by this prospectus supplement, provided, however, that unless otherwise explicitly set forth therein, we are not incorporating any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K or any other information not deemed to be "filed" with the SEC:

- Our Annual Report on Form 10-K for the year ended December 31, 2009.
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.
- Our Current Reports on Form 8-K filed on January 14, 2010, January 27, 2010, April 12, 2010, May 3, 2010 and May 12, 2010.

You may request a copy of this filing or any of the filings incorporated by reference herein at no cost, by writing or telephoning us at the following address:

Corporate Secretary  
The Empire District Electric Company  
602 S. Joplin Avenue  
Joplin, Missouri 64801  
Tel: (417) 625-5100

You should rely only on the information incorporated by reference or provided in this prospectus supplement and the accompanying base prospectus.

## FORWARD-LOOKING STATEMENTS

Certain matters discussed in this prospectus supplement, the accompanying base prospectus and in the documents incorporated by reference in this prospectus supplement and the accompanying base prospectus are “forward-looking statements” intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements address or may address future plans, objectives, expectations and events or conditions concerning various matters such as capital expenditures, earnings, pension and other costs, competition, litigation, our construction program, our generation plans, our financing plans, potential acquisitions, rate and other regulatory matters, liquidity and capital resources and accounting matters. Forward-looking statements may contain words like “anticipate,” “believe,” “expect,” “project,” “objective” or similar expressions to identify them as forward-looking statements. Factors that could cause actual results to differ materially from those currently anticipated in such statements include:

- weather, business and economic conditions and other factors which may impact sales volumes and customer growth;
- the amount, terms and timing of rate relief we seek and related matters;
- the cost and availability of purchased power and fuel, and the results of our activities (such as hedging) to reduce the volatility of such costs;
- volatility in the credit, equity and other financial markets and the resulting impact on our short term debt costs and our ability to issue debt or equity securities, or otherwise secure funds to meet our capital expenditure, dividend and liquidity needs;
- the results of prudence and similar reviews by regulators of costs we incur, including capital expenditures;
- operation of our electric generation facilities and electric and gas transmission and distribution systems, including the performance of our joint owners;
- the costs and other impacts resulting from natural disasters, such as tornados and ice storms;
- the periodic revision of our construction and capital expenditure plans and cost and timing estimates;
- legislation;
- regulation, including environmental regulation (such as NO<sub>x</sub>, SO<sub>2</sub> and CO<sub>2</sub>) and health care regulation;
- competition, including the regional SPP energy imbalance market;
- electric utility restructuring, including ongoing federal activities and potential state activities;
- the impact of electric deregulation on off-system sales;
- changes in accounting requirements;
- the timing of accretion estimates, and integration costs relating to completed and contemplated acquisitions and the performance of acquired businesses;
- rate regulation, growth rates, discount rates, capital spending rates, terminal value calculations and other factors integral to the calculations utilized to test the impairment of goodwill, in addition to market and economic conditions which could adversely affect the analysis and ultimately negatively impact earnings;
- matters such as the effect of changes in credit ratings on the availability and our cost of funds;



- the performance of our pension assets and other post employment benefit plan assets and the resulting impact on our related funding commitments;
- interruptions or changes in our coal delivery, gas transportation or storage agreements or arrangements;
- the success of efforts to invest in and develop new opportunities;
- costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- our exposure to the credit risk of our hedging counterparties; and
- other circumstances affecting anticipated rates, revenues and costs.

All such factors are difficult to predict, contain uncertainties that may materially affect actual results, and may be beyond our control. New factors emerge from time to time and it is not possible for management to predict all such factors or to assess the impact of each such factor on us. Any forward-looking statement speaks only as of the date on which such statement is made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

We caution you that any forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from the facts, results, performance or achievements we have anticipated in such forward-looking statements.

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**THE EMPIRE DISTRICT ELECTRIC COMPANY (Grantor)  
TO  
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (Grantee)  
AND  
UMB BANK & TRUST, N.A.**

*Trustees*

**Thirty-Fifth Supplemental Indenture**

**Dated as of May 28, 2010**

**(Supplemental to Indenture dated as of September 1, 1944)**

**\$100,000,000**

**First Mortgage Bonds, 4.65% Series due 2020**

**The Empire District Electric Company, 602 S. Joplin Avenue, Joplin, Missouri**

**Legal Description: Pages 7-8 and 12-17**

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**THIRTY-FIFTH SUPPLEMENTAL INDENTURE**, dated as of May 28, 2010, between The Empire District Electric Company, a corporation organized and existing under the laws of the State of Kansas (hereinafter called the "Company"), party of the first part, and The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States of America and located in the State of California with a trust office at 2 N. LaSalle Street, Suite 1020, in the City of Chicago, Illinois, and UMB Bank & Trust, N.A., a national banking association organized and existing under the laws of the United States of America and having its principal corporate trust office in the City of St. Louis, Missouri (hereinafter sometimes called respectively the "Principal Trustee" and the "Missouri Trustee" and together the "Trustees" and each thereof a "Trustee"), as Trustees, parties of the second part.

WHEREAS the Company has heretofore executed and delivered to the Trustees its Indenture of Mortgage and Deed of Trust, dated as of September 1, 1944 (hereinafter sometimes referred to as the "Original Indenture"), to secure an issue of First Mortgage Bonds of the Company, issuable in series; and

WHEREAS the Company has heretofore executed and delivered to the Trustees thirty-four Supplemental Indentures supplemental to the Original Indenture as follows:

<u>Title</u>	<u>Dated</u>
First Supplemental Indenture .....	as of June 1, 1946
Second Supplemental Indenture.....	as of January 1, 1948
Third Supplemental Indenture .....	as of December 1, 1950
Fourth Supplemental Indenture.....	as of December 1, 1954
Fifth Supplemental Indenture.....	as of June 1, 1957
Sixth Supplemental Indenture.....	as of February 1, 1968
Seventh Supplemental Indenture.....	as of April 1, 1969
Eighth Supplemental Indenture.....	as of May 1, 1970
Ninth Supplemental Indenture .....	as of July 1, 1976
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Twenty-Ninth Supplemental Indenture.....	as of April 1, 1998
Thirtieth Supplemental Indenture .....	as of July 1, 1999

Thirty-First Supplemental Indenture.....as of March 26, 2007  
Thirty-Second Supplemental Indenture .....as of March 11, 2008  
Thirty-Third Supplemental Indenture .....as of May 16, 2008  
Thirty-Fourth Supplemental Indenture .....as of March 27, 2009

some for the purpose of creating an additional series of bonds and of conveying additional property of the Company, and some for the purpose of modifying or amending provisions of the Original Indenture (the Original Indenture, all said Supplemental Indentures (other than the Thirtieth Supplemental Indenture, which did not become effective) and this Supplemental Indenture are herein collectively called the "Indenture"); and

WHEREAS the Company has acquired certain additional property hereinafter described or mentioned and, in compliance with its covenants in the Original Indenture, desires, by this Thirty-Fifth Supplemental Indenture, to evidence the subjection of such additional property to the lien of the Indenture; and

WHEREAS, the Company, in compliance with its covenants in the Original Indenture, desires, by this Thirty-Fifth Supplemental Indenture, to evidence the correction of the legal description of certain property that is currently subject to the lien of the Indenture; and

WHEREAS as provided by the Original Indenture, the Board of Directors of the Company, by resolution, has authorized a new series of bonds, to mature on June 1, 2020, and to be designated as "First Mortgage Bonds, 4.65% Series due 2020," and has authorized provisions permitted by the Original Indenture in respect of the bonds of said series; and

WHEREAS the Board of Directors of the Company has authorized the Company to enter into this Thirty-Fifth Supplemental Indenture (herein sometimes referred to as "this Thirty-Fifth Supplemental Indenture" or "this Supplemental Indenture") conveying to the Trustees and subjecting to the lien of the Indenture the property hereinafter described or mentioned, creating and designating the new series of bonds, and specifying the form and provisions of the bonds of said series provided or permitted by the Original Indenture; and

WHEREAS the texts of the First Mortgage Bonds, 4.65% Series due 2020, and of the Principal Trustee's Certificate of Authentication to be endorsed thereon are to be substantially in the forms following, respectively:

[FORM OF BOND]  
[FACE]  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
FIRST MORTGAGE BOND  
4.65% SERIES DUE 2020  
DUE JUNE 1, 2020

No. \_\_\_\_\_

\$ \_\_\_\_\_

THE EMPIRE DISTRICT ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Kansas (hereinafter sometimes called the "Company"), for value received, hereby promises to pay to \_\_\_\_\_ or registered assigns, on (unless this bond shall have been called for previous redemption and provision made for the payment of the redemption price thereof) June 1, 2020, \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) at its office or agency in the City of Chicago, Illinois, and to pay interest thereon at said office or agency at the rate of 4.65% per annum from May 28, 2010, or from the

most recent interest payment date to which interest has been paid or duly provided for on the bonds of this series, semi-annually on each June 1 and December 1 commencing on December 1, 2010, until the Company's obligation with respect to such principal sum shall be discharged. The principal of and the interest on this bond shall be payable in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. The interest so payable on any June 1 or December 1 shall, subject to certain exceptions provided in the Thirty-Fifth Supplemental Indenture referred to on the reverse hereof, be paid to the person in whose name this bond is registered at the close of business on the May 15 or November 15 next preceding such June 1 or December 1. Notwithstanding anything in the Original Indenture or this Supplemental Indenture to the contrary, so long as the bonds of this series are in a book-entry only system, payment of principal of and interest on this bond shall be in accordance with arrangements with The Depository Trust Company, a limited-purpose trust company under New York State banking law ("DTC"), or any successor securities depository.

Reference is made to the further provisions of this bond set forth on the reverse hereof. Such provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication endorsed hereon shall have been signed by The Bank of New York Mellon Trust Company, N.A. or its successor, as a Trustee under the Indenture referred to on the reverse hereof.

IN WITNESS WHEREOF, THE EMPIRE DISTRICT ELECTRIC COMPANY has caused this bond to be signed in its name by its President or a Vice President, and its corporate seal to be imprinted hereon and attested by its Secretary or an Assistant Secretary.

Dated:

THE EMPIRE DISTRICT ELECTRIC COMPANY

By

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

Title:

Attest:

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

Title:

[FORM OF BOND]  
[REVERSE]

This bond is one of an issue of bonds of the Company, known as its First Mortgage Bonds, issued and to be issued in one or more series under and equally and ratably secured (except as any sinking, amortization, improvement or other fund, established in accordance with the provisions of the indenture hereinafter mentioned may afford additional security for the bonds of any particular series) by a certain indenture of mortgage and deed of trust, dated as of September 1, 1944, made by the Company to The Bank of New York Mellon Trust Company, N.A. (the "Principal Trustee") and UMB Bank & Trust, N.A., as Trustees (hereinafter collectively called the "Trustees"), and certain indentures supplemental thereto, including a Third Supplemental Indenture, a Sixth Supplemental Indenture, a Seventh Supplemental Indenture, an Eighth Supplemental Indenture, a Fourteenth Supplemental Indenture, a Twenty-Fourth Supplemental Indenture, a Thirty-Second Supplemental Indenture and a Thirty-Fifth Supplemental Indenture (dated respectively as of December 1, 1950, February 1, 1968, April 1, 1969, May 1, 1970, September 15, 1983, March 1, 1994, March 11, 2008 and May 28, 2010 made by the Company to the Trustees (said indenture of mortgage and deed of trust and all indentures supplemental thereto being hereinafter collectively called the "Indenture"), to which Indenture reference is hereby made for a description of the property mortgaged, the nature and extent of the security, the rights and limitations of rights of the Company, the Trustees, and the holders of said bonds, and the terms and conditions upon which said bonds are secured, to all of the provisions of which Indenture, including the provisions permitting the issuance of bonds of any series for property which, under the restrictions and limitations therein specified, may be subject to liens prior to the lien of the Indenture, the holder, by accepting this bond, assents. To the extent permitted by, and as provided in, the Indenture, the rights and obligations of the Company and of the holders of said bonds may be changed and modified, with the consent of the Company, by the holders of at least 60% in aggregate principal amount of the bonds then outstanding, such percentage being determined as provided in the Indenture, or in the event that one or more but less than all of the series of bonds then outstanding are affected by such change or modification, by the holders of 60% in aggregate principal amount of the outstanding bonds of such one or more series so affected. Without the consent of the holder hereof no change or modification of the rights and obligations of the Company and of the holders of the bonds shall be made which will extend the time of payment of the principal of or the interest on this bond or reduce the principal amount hereof or the rate of interest hereon or will otherwise modify the terms of payment of such principal or interest (other than changes in any sinking or other fund) or will permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture on any of the mortgaged property, or will deprive any non-assenting bondholder of a lien upon the mortgaged property for the security of such bondholder's bonds, subject to certain exceptions, or will reduce the percentage of bonds required for the aforesaid action under the Indenture. This bond is one of a series of bonds designated as the First Mortgage Bonds, 4.65% Series due 2020, of the Company.

The Company may, at its option, redeem some or all of the bonds of this series at any time. If the Company redeems the bonds of this series prior to their maturity, the Company must pay the holders thereof a redemption price equal to the greater of:

- (i) 100% of the principal amount of the bonds to be redeemed; and
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below), plus 25 basis points.



“Comparable Treasury Issue” means the U.S. Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the bonds to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such bonds.

“Comparable Treasury Price” means, with respect to any redemption date, (i) if the Trustee obtains four or more Reference Treasury Dealer Quotations, the average of such Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations, or (iii) if only one Reference Treasury Dealer Quotation is received, such quotation.

“Quotation Agent” means the Reference Treasury Dealer appointed by us.

“Reference Treasury Dealer” means (i) Banc of America Securities LLC (or its respective affiliates that are Primary Treasury Dealers) and its successors; provided, however, that if the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a “Primary Treasury Dealer”), the Company will substitute therefor another Primary Treasury Dealer; and (ii) any other Primary Treasury Dealer selected by the Company.

“Reference Treasury Dealer Quotation” means, with respect to any Reference Treasury Dealer and any redemption date, the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price of such redemption date.

When the Company redeems bonds, the Company must also pay all interest that has accrued to the redemption date on the redeemed bonds.

The Company shall give notice to holders of bonds of this series to be redeemed by first-class mail at least 30 days but not more than 60 days prior to the date fixed for redemption. The notice of redemption may provide that the redemption is conditioned upon the occurrence of certain events before the date fixed for redemption. If any of these events fail to occur and are not waived by the Company, the notice of redemption shall be of no effect, the Company will be under no obligation to redeem the bonds of this series or pay the holders any redemption proceeds, and the Company’s failure to so redeem the bonds of this series shall not be considered a default or event of default under the Indenture. If fewer than all of the bonds of this series are to be redeemed, the Principal Trustee shall select the particular bonds of this series, or portions thereof, for redemption from the outstanding bonds of this series by such method as the Principal Trustee considers fair and appropriate.

On and after the redemption date, interest shall cease to accrue on the bonds of this series or any portion of the bonds of this series called for redemption unless, in the case of an unconditional notice of redemption, the Company defaults in the payment of the redemption price and accrued interest.

On or before the redemption date, the Company shall deposit with the Principal Trustee money sufficient to pay the redemption price of and accrued interest on the bonds of this series to be redeemed on such date.

The principal of this bond may be declared or may become due before the maturity hereof, on the conditions, in the manner and at the times set forth in the Indenture, upon the happening of a default as therein defined.

This bond is transferable by the registered owner hereof in person or by his duly authorized attorney at the office or agency of the Company in the City of Chicago, Illinois, upon surrender and cancellation of this bond, and thereupon a new bond of this series, for a like principal amount, will be issued to the transferee in exchange therefor, as provided in the Indenture. If this bond is transferred or exchanged between a record date, as defined in the aforementioned Thirty-Fifth Supplemental Indenture and the interest payment date in respect thereof, the new bond or bonds shall bear interest from such interest payment date unless the interest payable on such date is not duly paid or provided for on such date. The Company and the Trustees and any paying agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment as herein provided and for all other purposes. This bond, alone or with other bonds of this series, may in like manner be exchanged at such office or agency for one or more new bonds of this series in authorized denominations, of the same aggregate principal amount, all as provided in the Indenture. Upon each such transfer or exchange the Company may require the payment of any stamp or other tax or governmental charge incident thereto.

No recourse under or upon any covenant or obligation of the Indenture, or of any bonds thereby secured, or for any claim based thereon, or otherwise in any manner in respect thereof, shall be had against any incorporator, subscriber to the capital stock, stockholder, officer or director, as such, of the Company, whether former, present or future, either directly, or indirectly through the Company or the Trustees or either of them, by the enforcement of any subscription to capital stock, assessment or otherwise, or by any legal or equitable proceeding by virtue of any statute or otherwise (including, without limiting the generality of the foregoing, any proceeding to enforce any claimed liability of stockholders of the Company based upon any theory of disregarding the corporate entity of the Company or upon any theory that the Company was acting as the agent or instrumentality of the stockholders), any and all such liability of incorporators, stockholders, subscribers, officers and directors, as such, being released by the holder hereof, by the acceptance of this bond, and being likewise waived and released by the terms of the Indenture under which this bond is issued.

Whenever the beneficial ownership of this bond is determined by a book-entry at a securities depository for the bonds, the foregoing requirements of holding, delivering or transferring this bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the beneficial ownership to produce the same effect.

[FORM OF PRINCIPAL TRUSTEE'S  
CERTIFICATE OF AUTHENTICATION]

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee,

By \_\_\_\_\_  
Authorized Officer

and

WHEREAS the Company represents that all acts and things necessary have happened, been done, and been performed, to make the First Mortgage Bonds, 4.65% Series due 2020, when duly executed by the Company and authenticated by the Principal Trustee, and duly issued, the valid, binding and legal obligations of the Company, and to make the Original Indenture, the aforementioned prior Supplemental Indentures and this Supplemental Indenture valid and binding instruments for the security thereof, in accordance with their terms;

NOW, THEREFORE, THIS THIRTY-FIFTH SUPPLEMENTAL INDENTURE WITNESSETH: That The Empire District Electric Company, the Company herein named, in consideration of the premises and of One Dollar (\$1.00) to it duly paid by the Trustees at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and the interest on all bonds from time to time outstanding under the Indenture, according to the terms of said bonds and of the coupons attached thereto, has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto The Bank of New York Mellon Trust Company, N.A. and UMB Bank & Trust, N.A., as Trustees, and their respective successor or successors in the trust, and its or their assigns forever, the following property, with the same force and effect and subject to the same reservations and exceptions, as though specifically described in the granting clauses of the Original Indenture, that is to say:

**Greenfield Service Center**

A tract of land situated in the NE ¼ NE ¼ of Section 13, Township 31 North, Range 27 West of the Fifth Principal Meridian, Dade County, Missouri, more particularly described as follows:  
Commencing at the Southeast corner of said NE ¼; thence N00°19'49"W along the east line of said NE ¼, a distance of 1689.10 feet; thence N89°16'32"W, 601.03 feet to an existing iron pin at the Northeast corner of the tract recorded in Book 256 at Page 1031 of the deed records of said Dade County **AND THE POINT OF BEGINNING** of the tract herein described; thence N89°16'32"W along the North line of said tract, 669.11 feet, measured (669.8 feet, Deed), to the easterly right of way line of Missouri State Highway #39 and the Northwest corner of said tract recorded in Book 256 at Page 1031; thence northerly along said easterly right of way line, along a non-tangent curve to the right having a radius of 1880.10 feet and a chord bearing of N02°08'01"W, an arc distance of 148.08 feet to an iron pin set; thence N00°07'22"E continuing along said easterly right of way line, 174.29 feet to an iron pin set; thence

S89°16'32"E, 679.08 feet to an iron pin set; thence S00°51'35"W, 322.13 feet to the pint of beginning, containing 5.0 acres, more or less. Subject to all rights of way and easements of record.

#### **Atlas Junction Substation #109 addition**

A tract of land lying in the SE 1/4 of the SE 1/4 of Section 33, Township 28, Range 32, Jasper County, Missouri described as follows:

All that part of the following described tract of land lying North of improved Newman Road and East of new Route 249, both acquired in the year 2000:

All of Lot Numbered One (1) EXCEPT the West 177.5 feet in Prosperity Acres Second Subdivision, in Jasper County, Missouri, according to the recorded plat thereof.

#### **Iatan Property**

The property described in Article VI of this Supplemental Indenture.

ALSO all other property, whether real, personal or mixed (except as in the Original Indenture expressly excepted) of every nature and kind and wheresoever situated now owned or hereafter acquired by the Company;

TOGETHER with all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid mortgaged property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of § 8.01 of the Original Indenture) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid mortgaged property, and every part and parcel thereof;

SUBJECT, HOWEVER, to permitted encumbrances as defined in the Original Indenture and, as to any property hereafter acquired by the Company, to any lien thereon existing, and to any liens for unpaid portions of the purchase money placed thereon at the time of such acquisition, and also subject to the provisions of *Article 12* of the Original Indenture.

TO HAVE AND TO HOLD the same, unto the Trustees and their and each of their respective successors and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts set forth in the Indenture, so that the same shall be held specifically by the Trustees under and subject to the terms of the Indenture in the same manner and for the same trusts, uses and purposes as if said properties had been specifically contained and described in the Original Indenture;

PROVIDED, HOWEVER, and these presents are upon the condition that, if the Company, its successors or assigns, shall pay or cause to be paid unto the holders of the bonds the principal and interest, and premium, if any, to become due in respect thereof at the times and in the manner stipulated therein and in the Indenture and shall keep, perform and observe all and singular the covenants and promises in said bonds and in the Indenture expressed to be kept, performed and observed by or on the part of the Company, then the Indenture and the estate and rights thereby granted shall cease, determine and be void, otherwise to be and remain in full force and effect.

AND THE COMPANY, for itself and its successors, does hereby covenant and agree to and with the Trustees, for the benefit of those who shall hold the bonds and the coupons appertaining thereto, or any of them, issued or to be issued under the Indenture, as follows:

## ARTICLE I

### CREATION AND DESCRIPTION OF FIRST MORTGAGE BONDS, 4.65% SERIES DUE 2020

Section 1. A new series of bonds to be issued under and secured by the Indenture is hereby created, to be designated as First Mortgage Bonds, 4.65% Series due 2020 (herein sometimes called the "Bonds of the New Series" or "Bonds"). The Bonds of the New Series shall initially be issued in an aggregate principal amount of One Hundred Million Dollars (\$100,000,000), excluding any Bonds of the New Series which may be authenticated in lieu of or in substitution or exchange for other Bonds of the New Series pursuant to the provisions of *Article 2* or of § 15.09 of the Original Indenture. Subject to the terms of the Indenture, the Company may issue additional Bonds of the New Series (having the same terms as the Bonds of the New Series initially issued). Said Bonds and the certificate of authentication of the Principal Trustee to be endorsed upon the Bonds shall be substantially in the forms hereinbefore recited, respectively. Each Bond shall be dated as of the date of its authentication and all Bonds of the New Series shall mature June 1, 2020 and shall bear interest at the rate of 4.65% per annum, payable semi-annually on each June 1 and December 1 commencing on December 1, 2010; both principal and interest shall be payable at the office or agency of the Company in the City of Chicago, Illinois, and in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

The holder of any Bond on any record date (as hereinbelow defined) with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Bond upon any exchange or transfer thereof subsequent to the record date and prior to such interest payment date, except if and to the extent that the Company shall default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond (or any Bond or Bonds issued upon transfer or exchange thereof) is registered on a date fixed by the Company, which shall be not more than fifteen and not less than ten days before the date of payment of such defaulted interest. The term "record date" as used in this Section with respect to any interest payment date shall mean the close of business on the May 15 or November 15, as the case may be, next preceding such interest payment date, whether or not such record date shall be a legal holiday or a day on which banking institutions in the City of Chicago, Illinois are authorized by law to remain closed.

The Company shall not be required to make any transfer or exchange of any Bonds for a period of ten days next preceding any selection of Bonds for redemption, nor shall it be required to make transfers or exchanges of any bonds which shall have been selected for redemption in whole or in part.

Bonds of the New Series shall be registered Bonds in book-entry form or in definitive form without coupons in denominations of \$1,000 and integral multiples thereof which may be executed by the Company and delivered to the Principal Trustee for authentication and delivery.

The Bonds of the New Series shall be registrable and interchangeable at the office or agency of the Company in the City of Chicago, Illinois, in the manner and upon the terms set forth in § 2.05 of the Original Indenture, upon payment of such an amount as shall be sufficient to reimburse the Company for, or to pay, any stamp or other tax or governmental charge incident thereto.

Notwithstanding the provisions of § 2.08 of the Original Indenture, no service or other charge shall be made for any exchange or transfer of any Bond of the New Series.

If the Bonds of the New Series are to be issued in book-entry form only, notwithstanding any provision of the Indenture to the contrary, unless the Company shall otherwise direct (which direction shall promptly be given at the written request of The Depository Trust Company ("DTC")), all Bonds of the New Series shall be registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Bonds of the New Series, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate shall be issued and delivered to DTC. Beneficial owners of Bonds of the New Series shall not receive physical delivery of Bond certificates except as hereinafter provided. For so long as DTC shall continue to serve as securities depository for the Bonds of the New Series as provided herein, all transfers of beneficial ownership interests shall be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds of the New Series is to receive, hold or deliver any Bond certificate.

With respect to Bonds of the New Series registered in the name of Cede & Co., as nominee of DTC, the Trustees and the Company shall have no responsibility or obligation to the securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC participants ("DTC Participants") or to any person on whose behalf a DTC Participant holds an interest in the Bonds of the New Series. Without limiting the immediately preceding sentence, the Trustees and the Company shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds of the New Series, (ii) the delivery to any DTC Participant or any other person, other than the registered owner of the Bonds of the New Series, of any notice with respect to the Bonds of the New Series, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than the registered owner of the Bonds of the New Series, of any amount with respect to principal of or premium, if any, or interest on the Bonds of the New Series.

If the Bonds of the New Series are to be issued in book-entry form only, replacement Bonds may be issued directly to beneficial owners of Bonds of the New Series, but only in the event that (i) DTC determines not to continue to act as securities depository for the Bonds of the New Series (which determination shall become effective by the giving of reasonable notice to the Company or the Principal Trustee); or (ii) the Company has advised DTC of its determination (which determination is conclusive as to DTC and beneficial owners of the Bonds of the New Series) to terminate the services of DTC as securities depository for the Bonds of the New Series; or (iii) the Company has determined (which determination is conclusive as to DTC and the beneficial owners of the Bonds of the New Series) that the interests of the beneficial owners of the Bonds of the New Series might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of the event set forth in (i) above, the Company shall use its best efforts to attempt to locate another qualified securities depository. If the Company fails to locate another qualified securities depository to replace DTC, the Company shall direct the Principal Trustee to cause to be authenticated and delivered replacement Bonds of the New Series, in certificated form, to the beneficial owners of the Bonds of the New Series. In the event that the Company makes the determination described in (ii) or (iii) above (provided that the Company undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Company to make any such determination), and has made provisions to notify the beneficial owners of Bonds of the New Series of such determination by mailing an appropriate notice to DTC, the Company shall cause to be issued replacement Bonds of the New Series in certificated form to beneficial owners of the Bonds of the New Series as shown on the records of DTC provided to the Principal Trustee and the Company.

Whenever, during the term of the Bonds of the New Series, the beneficial ownership thereof is determined by a book-entry, the requirements in the Original Indenture or this Supplemental Indenture relating to holding, delivering or transferring Bonds or selection of Bonds to be redeemed shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to registering or transferring the beneficial ownership to produce the same effect.

If the Bonds of the New Series are to be issued in book-entry form only, notwithstanding any provision of the Original Indenture or this Supplemental Indenture to the contrary, all Bonds of the New Series issued hereunder, if DTC so requires, shall bear a legend substantially to the following effect:

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a limited-purpose trust company under New York State banking law ("DTC"), to the Company or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

If the Bonds of the New Series are to be issued in book-entry form only, the Company and the Principal Trustee shall, to the extent the Company does not have a blanket letter of representation in place, enter into a letter of representations with DTC to implement the book-entry only system of Bond registration described above.

If at any time DTC ceases to hold the Bonds of the New Series, all references herein to DTC shall be of no further force or effect, unless the Bonds have been transferred to a successor securities depository, in which case all references herein to DTC shall be deemed to refer to such successor depository.

Section 2. The Bonds of the New Series shall be executed by the Company and delivered to the Principal Trustee and, upon compliance with all the provisions and requirements of the Original Indenture in respect thereof, the Bonds of the New Series may, from time to time, be authenticated by the Principal Trustee and delivered (without awaiting the filing or recording of this Supplemental Indenture) in accordance with the written order or orders of the Company.

## **ARTICLE II**

### **REDEMPTION OF BONDS OF THE NEW SERIES**

Section 1. The Bonds of the New Series, in the manner provided in *Article 5* of the Original Indenture, shall be redeemable at any time prior to maturity, in whole or in part, at the option of the Company, at the greater of the principal amount of the bonds to be redeemed and a make-whole redemption price (as specified in the form of Bond set forth in this Supplemental Indenture), together with accrued and unpaid interest, if any, to the date fixed for redemption.

Section 2. The provisions of § 5.03, § 5.04 and § 5.05 of the Original Indenture (as modified by the provisions specified in the form of Bond set forth in this Supplemental Indenture) shall be applicable to Bonds of the New Series. The principal amount of Bonds of the New Series registered in the name of any holder and to be redeemed on any partial redemption shall be \$1,000, or a multiple thereof.

Section 3. The holder of each and every Bond of the New Series issued hereunder hereby, and by accepting the Bond, agrees to accept payment thereof prior to maturity on the terms and conditions provided for in this Article II.

### **ARTICLE III**

#### **NO SINKING AND IMPROVEMENT FUND FOR BONDS OF THE NEW SERIES**

There shall be no Sinking and Improvement Fund for the Bonds of the New Series.

### **ARTICLE IV**

#### **DIVIDENDS AND SIMILAR DISTRIBUTIONS**

The Company hereby covenants that, so long as any of the Bonds of the New Series shall remain outstanding, the covenants and agreements of the Company set forth in *Section 4.11* of the Original Indenture as heretofore supplemented shall be and remain in full force and effect and be duly observed and complied with by the Company, notwithstanding that no First Mortgage Bonds, 3½% Series due 1969, remain outstanding.

### **ARTICLE V**

#### **THE TRUSTEES**

The Trustees accept the trusts created by this Supplemental Indenture upon the terms and conditions hereof and agree to perform such trusts upon the terms and conditions set forth in the Original Indenture as heretofore supplemented and in this Supplemental Indenture set forth. In general, each and every term and condition contained in *Article 13* of the Original Indenture shall apply to this Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Supplemental Indenture.

### **ARTICLE VI**

#### **PROPERTY DESCRIPTION AMENDMENT**

(a) Pursuant to § 14.01(a) of the Original Indenture, the description of property subject to the lien of the Indenture, as set forth in the third paragraph in the section captioned "Plants, Platte County, Missouri, 1. Iatan Station" in the Eleventh Supplemental Indenture dated as of August 1, 1978 made by the Company to the Trustees is hereby amended to read as follows:

A tract of land comprised of all or part of fractional Sections 18, 19, 29, 30 and 32, Township 54 North, Range 36 West of the Fifth Principal Meridian, and all or part of fractional Sections 13, 24, 25, and 26, Township 54 North, Range 37 West of the Fifth Principal Meridian and a part of fractional Section 5, Township 53 North, Range 36 West as said Sections were surveyed and shown on the Original U. S. Government Surveys of the State of Missouri, ALSO all or part of fractional Sections 5, 6, 7, 8, 9, 16 and 17, Township 7 South, Range 22 East of the Sixth Principal Meridian as said Sections were surveyed and shown on the Original U. S. Government Surveys of the Territory of Kansas, ALSO certain accreted and relicted lands and former river bed; all now being in Platte County in the State of Missouri and more particularly described as fol-



lows: (NOTE: The bearings in this description are based on, or have been converted to conform to, the Missouri Coordinate System, West Zone) Beginning at the Southwest corner of the Southeast Quarter of Section 32, Township 54 North, Range 36 West; thence North 89° 49' 28" East along said South line a distance of 928.4 feet; thence North 00° 34' 33" East parallel with the West line of said quarter section, 2672.30 feet, more or less to a point on the South line of the Northeast Quarter of said Section 32; thence continuing North 00° 34' 33" East 432.26 feet; thence South 89° 19' 03" East, parallel with the South line of said Northeast Quarter Section 1716.0 feet to a point on the East line of said Section 32; thence North 00° 34' 33" East along said east line 883.99 feet, more or less, to the Southwesterly line of the right of way of Missouri State Highway No. 45; thence Northwesterly along said Southwesterly right of way line through parts of said Sections 32, 29, 30 and 19, in Township 54, Range 36, over the next twenty-nine courses:

North 45 degrees 03 minutes 24 seconds West 2772.21 feet; thence South 44 degrees 56 minutes 36 seconds West 5.0 feet; thence North 45 degrees 03 minutes 24 seconds West 700.0 feet; thence North 44 degrees 56 minutes 36 seconds East 5.0 feet; thence North 45 degrees 03 minutes 24 seconds West 466.0 feet; thence Northwesterly along a curve to the right, tangent to the last described course and having a radius of 5,769.58 feet, an arc distance of 506.81 feet; thence North 40 degrees 01 minutes 24 seconds West 2729.8 feet; thence South 49 degrees 58 minutes 36 seconds west 5.0 feet; thence North 40 degrees 01 minutes 24 seconds West 1625.9 feet; thence Northwesterly along a curve to the right, tangent to the last described course and having a radius of 11,504.2 feet, an arc distance of 579.01 feet; thence North 37 degrees 08 minutes 24 seconds west 340.1 feet; thence South 52 degrees 51 minutes 36 seconds West 25.0 feet; thence north 37 degrees 08 minutes 24 seconds West 100.0 feet; thence North 52 degrees 51 minutes 36 seconds East 25.0 feet; thence North 37 degrees 08 minutes 24 seconds West 1587.51 feet; thence South 49 degrees 41 minutes 36 seconds West 10.01 feet; thence North 37 degrees 08 minutes 24 seconds West 610.64 feet; thence Northwesterly on a curve to the right, tangent to the last described course and having a radius of 11,514.2 feet, an arc length of 855.13 feet; thence North 89 degrees 08 minutes 24 seconds West 6.02 feet; thence Northwesterly on a curve to the right, tangent to the last described course and having a radius of 11,519.2 feet, an arc distance of 45.67 feet; thence North 32 degrees 38 minutes 24 seconds West 1699.4 feet; thence North 57 degrees 21 minutes 36 seconds East 5.0 feet; thence North 32 degrees 38 minutes 24 seconds West 350.0 feet; thence North 57 degrees 21 minutes 36 seconds East 5.0 feet; thence North 32 degrees 38 minutes 24 seconds west 748.09 feet; thence North 89 degrees 38 minutes 24 seconds West 119.24 feet; thence North 32 degrees 38 minutes 24 seconds West 95.38 feet; thence South 89 degrees 38 minutes 24 seconds East 119.24 feet; thence North 32 degrees 38 minutes 24 seconds West 56.55 feet to the South line of said Section 18, Township 54 North, range 36 West, at a point 750.65 feet Easterly along said Section line from the Southwest corner of said Section; thence South 89° 38' 24" East along said South line 331.43 feet to the Southwesterly line of an old county road; thence along said Southwesterly line over the next six courses; North 27° 32' 56" West, 122.55 feet; thence North 28° 54' 56" West, 349.13 feet; thence North 30° 34' 56" West, 983.34 feet; thence North 23° 18' 56" West, 238.91 feet; thence North 30° 18' 56" West, 452.35 feet; thence North 25° 30' 56" West 48.53 feet to a point on the East line of said Section 13, Township 54 North, Range 37 West; thence South 00° 22' 26" West along said East line, 574.06 feet to the Southwesterly right-of-way line of the Burlington Northern, Inc. (formerly the Chicago Burlington & Quincy Railroad Company), thence Northwesterly along said Southwesterly right-of-way line 759.31 feet, thence continuing along said Southwesterly right-of-way line North 25° 28' 04" West 634.46 feet, thence departing from said right-of-way line South 70° 22' 25" West 2245.96 feet; thence South 11° 37' 34" East 435.6 feet; thence North 71° 22' 26" East 253.44 feet; thence South 85° 37' 34" East 876.48 feet; thence South 00° 52' 26" West 1547.04 feet; thence North

72° 52' 26" East 238.28 feet, to a point on the West line of Lot 5 of the Northeast fractional ¼ of said Section 24, Township 54 North, Range 37 West; thence South 00° 22' 26" West along the West line of said Lot 5 (also referred to as the West line of the East ½ of the Northeast ¼ of said Section) and the Southerly prolongation thereof, 2488.10 feet to the Easterly prolongation of the North line of the Southwest fractional ¼ of said Section 24; thence South 89° 23' 37" West along said prolongation 928.79 feet to a point which is 3055 feet Easterly along said North line and prolongation, from the Northwest corner of said Southwest fractional quarter section; thence South 34° 17' 44" West 3252.40 feet to a point on the Easterly prolongation of the South line of said Section 24 at a point 1265 feet Easterly along said line from the Southwest corner of said Section; thence South 89° 15' 20" East along said Easterly prolongation 2169.14 feet to the North-South center line of said Section 6, Township 7 South, Range 22 East, as said center line is located by decree of the Supreme Court of the United States entered June 5, 1944 and reported in 64 Supreme Court Reporter at Page 1202-1208; thence South 00° 22' 09" East along the Southerly prolongation of said line 2474.31 feet to the Northwest corner of the Northeast Quarter of fractional Section 7, Township 7 South, Range 22 East, the same being the Southeast corner of a tract of land conveyed to Gary Ashpaugh and Mary Ashpaugh, husband and wife, by General Warranty Deed, filed for record on the 8<sup>th</sup> day of June 1973 and recorded as Document No. 43211 in Book 416 at Page 430; thence North 89° 58' 25" West along the South line of said tract, 3118.5 feet to the Southwest corner of said Ashpaugh tract, said corner also being on a line described in a boundary line agreement recorded on July 3, 1968 as Document No. 20330 in Book 311 at Page 83 in the Office of the Recorder of Deeds for Platte County; thence South 0° 55' 37" West (record South 0° 28' West) 339.04 feet; thence North 89° 04' 23" West (record North 89° 49' West) along said boundary line 877.2 feet; thence South 00° 55' 37" West (record South 00° 28' West) along said boundary line 2383.41 feet to a monumented meander point on the Northerly highbank of the Missouri River (which said monumented meander point is the beginning point of the next six meander line courses which run approximately parallel to a portion of the actual boundary as follows: (1) South 68° 53' 41" East, 2169.12 feet (2) South 76° 18' 33" East, 1644.66 feet (3) South 72° 24' 55" East, 2300.96 feet (4) South 63° 59' 58" East, 1078.11 feet (5) South 54° 07' 46" East, 2940.56 feet (6) South 35° 45' 15" East, 2149.20 feet to a point on the Westerly prolongation of the South line of said Section 32, Township 54, Range 36; the last said meander point bearing South 89° 49' 28" West along said South line and Westerly prolongation thereof a distance of 3669.29 feet from the Southwest corner of the Southeast Quarter of said Section 32); thence from said monumented meander point South 00° 55' 37" West, to the low water line on the left or Northerly shore of the Missouri River; thence Southeasterly along the low water line to a point on the Westerly prolongation of a line that is 7371 feet North of and parallel to the South line of the Northeast Quarter of Section 8, Township 53, Range 36; thence leaving said low water line North 89° 49' 28" East along said parallel line to a point that is 2400 feet West of the East line of the Northwest Quarter of said Section 5; thence South 24° 05' 32" East 228.63 feet; thence North 89° 49' 28" East, 1052.17 feet to a point 1255 feet West of the East line of the Northwest quarter of said Section 5, Township 53 North, Range 36 West and 7162 feet North of the South line of the Northeast quarter of Section 8, Township 53 North, Range 36 West, said point being a point on a curve; thence Northwesterly along said curve to the left having a radius of 4677.31 feet (deed) and 4583.66 feet (as surveyed) to a point on the South line of Section 32 at a distance of 1461.66 feet Westerly along said South line from the Southwest corner of the Southeast quarter of said Section 32; thence North 89° 49' 28" East along said South section line 1461.66 feet to the point of beginning.

**Except the following four tracts of land:**

Tract 1 (Partial Deed of Release dated September 2, 2009):

The North 125.00 feet of the Northwest Quarter of Fractional Section 7, Township 7 South, Range 22 East of the 6th Principal Meridian as described in the original United States Government surveys of the Territory of Kansas and certain accreted and relicited lands of the former bed of the Missouri River, all now being in Platte County in the State of Missouri and lying East of the boundary line as established by the Boundary Line Agreement filed for record in the Office of the Recorder of Deeds for said Platte County as Document No. 20330 in Book 311 at Page 83, being more particularly described as follows:

Beginning at the Northeast corner of the Northwest Quarter of said Fractional Section 7; thence South 00 degrees 09 minutes 19 seconds East along the East line of said Quarter Section, a distance of 125.00 feet; thence North 89 degrees 48 minutes 45 seconds West along a line 125.00 feet South of and parallel with the North line of said Quarter Section, a distance of 3,176.39 feet to a point on the boundary line as established by the aforesaid Boundary Line Agreement; thence North 01 degrees 04 minutes 45 seconds East (North 00 degrees 28 minutes West, Deed) along said boundary line, a distance of 125 feet, more or less, to a point on the Westerly prolongation of the North line of the Northwest Quarter of said Fractional Section 7; thence South 89 degrees 48 minutes 45 seconds East along the North line of said Quarter Section, a distance of 3,173.70 feet to the Point of Beginning. Containing 397,866 square feet or 9.134 acres, more or less.

Tract 2 (Partial Deed of Release dated September 2, 2009):

A tract of land in the Northwest Quarter of Fractional Section 7, Township 7 South, Range 22 East of the 6th Principal Meridian as described in the original United States Government surveys of the Territory of Kansas and certain accreted and relicited lands of the former bed of the Missouri River, all now being in Platte County in the State of Missouri and lying East of the boundary line as established by the Boundary Line Agreement filed for record in the Office of the Recorder of Deeds for said Platte County as Document No. 20330 in Book 311 at Page 83, being more particularly described as follows:

Commencing at the Northeast corner of the Northwest Quarter of said Fractional Section 7; thence South 00 degrees 09 minutes 19 seconds East along the East line of said Quarter Section, a distance of 125.00 feet to the Point of Beginning of the tract of land to be herein described; thence North 89 degrees 48 minutes 45 seconds West along a line 125.00 feet South of and parallel with the North line of said Quarter Section, a distance of 3,176.39 feet to a point on the boundary line as established by the aforesaid Boundary Line Agreement; thence South 01 degrees 04 minutes 45 seconds West (South 00 degrees 28 minutes West, Deed) along said boundary line, a distance of 260.13 feet to an angle point in the aforesaid Boundary Line Agreement; thence South 89 degrees 48 minutes 45 seconds East along a line parallel with the North line of said Quarter Section, a distance of 3,182.00 to a point on the East line of said Quarter Section; thence North 00 degrees 09 minutes 19 seconds West along the East line of said Quarter Section, a distance of 260.10 feet to the Point of Beginning. Containing 826,893 square feet or 18.983 acres, more or less.

Tract 3 (herein released):

A portion of the South Half of Section 13, Township 54 North, Range 37 West in Platte County, Missouri, being more particularly described as follows:

Commencing at the Northwest corner of the Northeast Quarter of said Section 13, thence South 01 degree 15 minutes 19 seconds West along the West line of the Northeast Quarter of said Section 13, a distance of 2,648.67 feet to the Center of said Section 13; thence continuing South 01 degree 15 minutes 19 seconds West being now along the West line of the Southeast Quarter of said Section 13, a distance of 931.65 feet to a point on the Northwesterly line of the parcel of land conveyed to The Bank of Weston by the Warranty Deed filed May 1, 1975 as Document No. 10570 and recorded in Book 464 at Page 287 in the Office of the Recorder of Deeds for said Platte County and the Point of Beginning of the tract of land to be herein described; thence North 66 degrees 42 minutes 09 seconds East (North 70 degrees East, Deed) along the Northwesterly line of the aforesaid parcel of land, a distance of 172.49 feet to a point in the center of a drainage slough as field located in December, 2008; thence Southeasterly along the center line of said field located drainage slough, the following courses and distances; thence South 26 degrees 20 minutes 33 seconds East, 40.87 feet; thence South 29 degrees 40 minutes 37 seconds East, 55.61 feet; thence Southeasterly along a curve to the left, tangent to the last described course, having a radius of 458.00 feet and a central angle of 11 degrees 28 minutes 19 seconds, an arc length of 91.70 feet; thence South 41 degrees 08 minutes 56 seconds East, tangent to the last described curve, a distance of 110.30 feet; thence South 48 degrees 11 minutes 58 seconds East, 47.54 feet; thence South 36 degrees 12 minutes 17 seconds East, 42.86 feet to a point in the center of a drainage slough (also known as the old mill race) as field located in December, 2008; thence Westerly and Southwesterly along the center line of said field located drainage slough (also known as the old mill race), the following courses and distances; South 82 degrees 34 minutes 55 seconds West, 116.59 feet; thence South 86 degrees 23 minutes 56 seconds West, 69.42 feet; thence Westerly and Southwesterly along a curve to the left, tangent to the last described course, having a radius of 220.00 feet and a central angle of 34 degrees 34 minutes 08 seconds, an arc length of 132.73 feet to a point of reverse curve; thence Southwesterly along a curve to the right, tangent to the last described curve, having a radius of 160.00 feet and a central angle of 13 degrees 43 minutes 48 seconds, an arc length of 38.34 feet; thence South 65 degrees 33 minutes 36 seconds West tangent to the last described curve, a distance of 46.51 feet; thence Southwesterly and Westerly along a curve to the right, tangent to the last described course, having a radius of 200.00 feet and a central angle of 14 degrees 32 minutes 44 seconds, an arc length of 50.77 feet to a point on the Westerly line of the aforesaid parcel of land described in said Warranty Deed; thence North 15 degrees 17 minutes 51 seconds West (North 12 degrees West, Deed) along the Westerly line of the aforesaid parcel of land, being no longer along the center line of said field located drainage slough, a distance of 318.63 feet; thence North 66 degrees 42 minutes 09 seconds East (North 70 degrees East, Deed) along the Northwesterly line of the aforesaid parcel of land, a distance of 135.04 feet to the Point of Beginning, containing 117,624 square feet or 2.700 acres, more or less.

Tract 4 (herein released):

A portion of the South Half of Section 13 together with a portion of the Northeast Quarter of Section 24, all in Township 54 North, Range 37 West in Platte County, Missouri, being more particularly described as follows:

Commencing at the Northwest corner of the Northeast Quarter of said Section 13, thence South 01 degree 15 minutes 19 seconds West along the West line of the Northeast Quarter of said Section 13, a distance of 2,648.67 feet to the Center of said Section 13; thence continuing South 01 degree 15 minutes 19 seconds West being now along the West line of the Southeast Quarter of said Section 13, a distance of 1,400.9 feet to the most Westerly, Southwest corner of the parcel of land conveyed to The Bank of Weston by the Warranty Deed filed May 1, 1975 as Document No. 10570 and recorded in Book 464 at Page 287 in the Office of the Recorder of Deeds for said

Platte County, the most Westerly, Southwest corner of said parcel of land being the Point of Beginning of the tract of land to be herein described; thence Easterly and Southerly along the Southerly and Westerly lines of the parcel of land described in said Warranty Deed, the following courses and distances; thence North 71 degrees 23 minutes 02 seconds East (North 71 degrees East, Deed), a distance of 189.52 feet (3.84 chains, Deed = 253.44 feet); thence South 85 degrees 36 minutes 58 seconds East (South 86 degrees East, Deed), a distance of 876.48 feet (13.28 chains, Deed = 876.48 feet); thence South 00 degrees 53 minutes 02 seconds West (South 0 degrees 30 minutes West, Deed), a distance of 1,547.04 feet (23.44 chains, Deed = 1,547.04 feet) to the old Bank of the Missouri river as described in said Warranty Deed; thence North 72 degrees 53 minutes 02 seconds East (North 72 degrees 30 minutes East, Deed), a distance of 238.28 feet; thence North 00 degrees 23 minutes 02 seconds East, departing from the aforesaid Southerly and Westerly lines of the parcel of land described in said Warranty Deed, a distance of 1,764.56 feet to a point in the center of a drainage slough (also known as the old mill race) as field located in December, 2008, said point being hereby designated as Point "A"; thence Westerly and Southwesterly along the center line of said field located drainage slough, the following courses and distances; thence South 89 degrees 08 minutes 39 seconds West, 169.65 feet; thence South 87 degrees 49 minutes 39 seconds West, 221.59 feet; thence South 86 degrees 10 minutes 49 seconds West, 142.41 feet; thence South 83 degrees 23 minutes 28 seconds West, 147.42 feet; thence South 85 degrees 19 minutes 24 seconds West, 189.43 feet; thence South 82 degrees 34 minutes 55 seconds West, 116.59 feet; thence South 86 degrees 23 minutes 56 seconds West, 69.42 feet; thence Westerly and Southwesterly along a curve to the left, tangent to the last described course, having a radius of 220.00 feet and a central angle of 34 degrees 34 minutes 08 seconds, an arc length of 132.73 feet to a point of reverse curve; thence Southwesterly along a curve to the right, tangent to the last described curve, having a radius of 160.00 feet and a central angle of 13 degrees 43 minutes 48 seconds, an arc length of 38.34 feet; thence South 65 degrees 33 minutes 36 seconds West tangent to the last described curve, a distance of 46.51 feet; thence Southwesterly and Westerly along a curve to the right, tangent to the last described course, having a radius of 200.00 feet and a central angle of 14 degrees 32 minutes 44 seconds, an arc length of 50.77 feet to a point on the Westerly line of the aforesaid parcel of land described in said Warranty Deed; thence South 15 degrees 17 minutes 51 seconds East (South 12 degrees East, Deed) along the Westerly line of the aforesaid parcel of land, being no longer along the center line of said field located drainage slough, a distance of 112.35 feet to the Point of Beginning, containing 611,078 square feet or 14.028 acres, more or less.

(b) Pursuant to § 14.02 of the Original Indenture, the Trustees are hereby authorized to effectuate such amendment in clause (a) above of this Article VI by executing this Supplemental Indenture.

## ARTICLE VII

### MISCELLANEOUS PROVISIONS

Section 1. If the date for making any payment of principal, interest, or premium or the last date for performance of any act or the exercising of any right, as provided in this Supplemental Indenture, shall be a legal holiday or a day on which banking institutions in the City of Chicago, Illinois, are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Supplemental Indenture, and no interest shall accrue for the period after such nominal date.

Section 2. The Original Indenture as heretofore and hereby supplemented and amended is in all respects ratified and confirmed; and the Original Indenture, this Supplemental Indenture and all other indentures supplemental to the Original Indenture shall be read, taken and construed as one and the same instrument. Neither the execution of this Supplemental Indenture nor anything herein contained shall be construed to impair the lien of the Original Indenture as heretofore supplemented on any of the property subject thereto, and such lien shall remain in full force and effect as security for all bonds now outstanding or hereafter issued under the Indenture. All terms defined in *Article 1* of the Original Indenture, as heretofore supplemented, for all purposes of this Supplemental Indenture, shall have the meanings therein specified, unless the context otherwise requires.

Section 3. This Supplemental Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

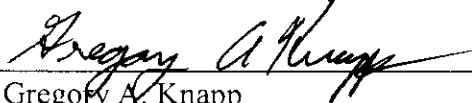
Section 4. Nothing in this Supplemental Indenture contained, shall, or shall be construed to, confer upon any person other than a holder of bonds issued under the Indenture, the Company and the Trustees any right or interest to avail himself of any benefit under any provision of the Indenture, as heretofore supplemented and amended, or of this Supplemental Indenture.

IN WITNESS WHEREOF, The Empire District Electric Company, party of the first part, has caused its corporate name to be hereunto affixed and this instrument to be signed by its President or a Vice President, and its corporate seal to be hereunto affixed and attested by its Secretary or an Assistant Secretary for and in its behalf; and The Bank of New York Mellon Trust Company, N.A. and UMB Bank & Trust, N.A., parties of the second part, in evidence of each of its acceptance of the trust hereby created, have each caused its corporate name to be hereunto affixed, and this instrument to be signed by its President, a Vice President or an Assistant Vice President and its corporate seal to be hereunto affixed and attested by its Secretary or an Assistant Secretary for and in its behalf, all as of the day and year first above written.


THE EMPIRE DISTRICT ELECTRIC COMPANY




[Corporate Seal]

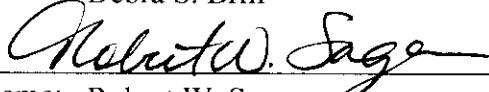
By   
Name: Gregory A. Knapp  
Title: Vice President - Finance and  
Chief Financial Officer

Attest:

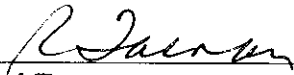
  
Name: Janet S. Watson  
Title: Secretary-Treasurer

Signed, sealed and delivered by  
THE EMPIRE DISTRICT ELECTRIC COMPANY  
in the presence of:

  
Name: Debra S. Brill

  
Name: Robert W. Sager

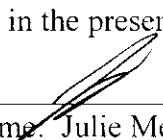

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

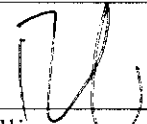
By   
Name: Richard Tarnas  
Title: Vice President

[Corporate Seal]

Attest:   
Name: Lawrence M. Kusch  
Title: Vice President

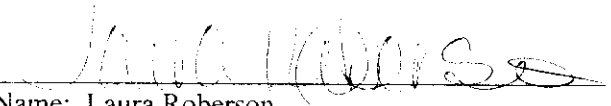
Signed, sealed and delivered by  
THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.  
in the presence of:

   
Name: Julie Meadors

  
Name: Robert Cafarelli

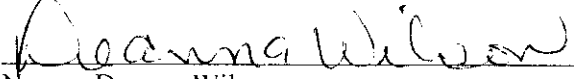


UMB BANK & TRUST, N.A.,  
as Trustee

By   
Name: Laura Roberson  
Title: Vice President

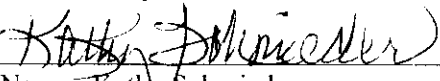
[Corporate Seal]

Attest:

  
Name: Deanna Wilson  
Title: Assistant Secretary

Signed, sealed and delivered by  
UMB BANK & TRUST, N.A.  
in the presence of:

  
Name: Mary Heitland

  
Name: Kathy Schmieder

State of Missouri        )  
                                  ) ss.:  
County of Jasper        )

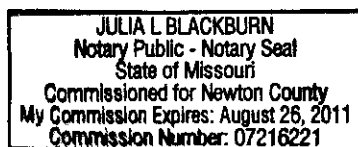
Be It Remembered, and I do hereby certify, that on this 28<sup>th</sup> day of May, 2010, before me, a Notary Public in and for the County and State aforesaid, personally appeared Gregory A. Knapp, the Vice President - Finance and Chief Financial Officer of The Empire District Electric Company, a Kansas corporation, and Janet S. Watson, the Secretary-Treasurer of said corporation, who are both to me personally known, and both personally known to me to be such officers and to be the identical persons whose names are subscribed to the foregoing instrument as such Vice President - Finance and Chief Financial Officer and Secretary-Treasurer, respectively, and as the persons who subscribed the name and affixed the seal of said The Empire District Electric Company, one of the makers thereof, to the foregoing instrument as its Vice President - Finance and Chief Financial Officer and Secretary-Treasurer, and they each acknowledged to me that they, being thereunto duly authorized, executed the same for the uses, purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation.

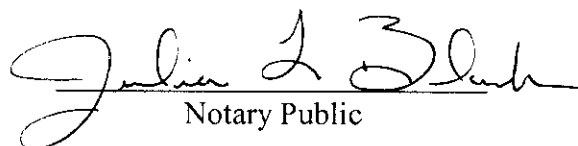
And the said Gregory A. Knapp and Janet S. Watson, being each duly sworn by me, severally deposed and said: that they reside in City of Joplin, Missouri; that they were at that time Vice President - Finance and Chief Financial Officer and Secretary-Treasurer, of said corporation; that they knew the corporate seal of said corporation, and that the seal affixed to said instrument was such corporate seal, and was thereto affixed by said Secretary-Treasurer, and the said instrument was signed by said Vice President - Finance and Chief Financial Officer, in pursuance of the power and authority granted them by the By-Laws of said corporation, and by authority of the Board of Directors thereof.

In Testimony Whereof, I have hereunto set my hand and affixed my official and notarial seal at my office in said County and State the day and year last above written.

My commission expires

[Notarial Seal]



  
Notary Public

State of Illinois        )  
                              ) ss.:  
County of Cook         )

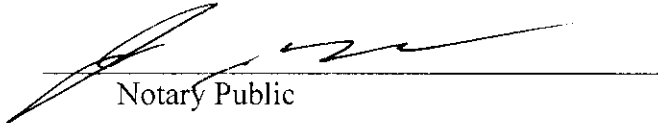
Be It Remembered, and I do hereby certify, that on the 28th day of May, 2010, before me, a Notary Public in and for the County and State aforesaid, personally appeared Richard Tarnas, Vice President of The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States of America, and Lawrence Kusch, Vice President of said association, who are both to me personally known, and both personally known to me to be such officers and to be the identical persons whose names are subscribed to the foregoing instrument as Vice Presidents, and as the persons who subscribed the name and affixed the seal of said The Bank of New York Mellon Trust Company, N.A., one of the makers thereof, to the foregoing instrument as its Vice Presidents, and they each acknowledged to me that they, being thereunto duly authorized, executed the same for the uses, purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said association.

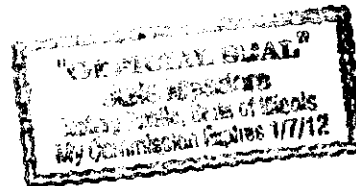
And the said Richard Tarnas and Lawrence Kusch, being each duly sworn by me, severally deposed and said: that they reside in Chicago, Illinois and Chicago, Illinois, respectively; that they were at that time each Vice President, of said association; that they knew the corporate seal of said association, and that the seal affixed to said instrument was such corporate seal, and was thereto affixed by said Vice President, and the said instrument was signed by said Vice President, in pursuance of the power and authority granted them by the By-Laws of said association, and by authority of the Board of Directors thereof.

In Testimony Whereof, I have hereunto set my hand and affixed my official and notarial seal at my office in said County and State the day and year last above written.

My commission expires 1-7-12

[Notarial Seal]

  
\_\_\_\_\_  
Notary Public



State of Missouri        )  
                                  ) ss.:  
City of St. Louis        )

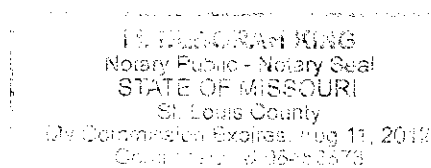
Be It Remembered, and I do hereby certify, that on this 26th day of May, 2010, before me, a Notary Public in and for the County and State aforesaid, personally appeared Laura Roberson, Vice President of UMB Bank & Trust, N.A., a national banking association organized under the laws of the United States of America, and Deanna Wilson, Assistant Secretary of said association, who are both to me personally known, and both personally known to me to be such officers and to be the identical persons whose names are subscribed to the foregoing instrument as such Vice President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of said UMB Bank & Trust, N.A. one of the makers thereof, to the foregoing instrument as its Vice President and Assistant Secretary, and they each acknowledged to me that they, being thereunto duly authorized, executed the same for the uses, purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said association.

And the said Laura Roberson and Deanna Wilson, being each duly sworn by me, severally deposed and said: that they reside in St. Louis, Missouri; that they were at that time respectively Vice President and Assistant Secretary of said association; that they knew the corporate seal of said association, and that the seal affixed to said instrument was such corporate seal, and was thereto affixed by said Assistant Secretary, and the said instrument was signed by said Vice President, in pursuance of the power and authority granted them by the By-Laws of said association, and by authority of the Board of Directors thereof.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal at my office in said County and State the day and year last above written.

My commission expires *8/11/2012*

[Notarial Seal]



*T. Duquoyan King*  
Notary Public