

AIRCRAFT LEASE

DATED AS OF AUGUST 1, 2000

between

FLEET NATIONAL BANK,  
as Lessor

and

WESTAR CAPITAL, INC.,  
as Lessee

This is Counterpart No. 2 of a total of 3 counterparts. Only Counterpart No. 1 shall be considered chattel paper for purposes of the Uniform Commercial Code and a security interest may be perfected only by possession of Counterpart No. 1.

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## AIRCRAFT LEASE

This AIRCRAFT LEASE (together with all Supplements, Exhibits and Certificates hereto, the "Lease") is made and entered into as of the 1st day of August, 2000 by and between Fleet National Bank, a national banking association ("Lessor"), with a place of business at c/o Fleet Capital Corporation, 50 Kennedy Plaza, Fifth Floor, Providence, Rhode Island 02903-2305, and Westar Capital, Inc., a Kansas corporation ("Lessee"), having its principal place of business and chief executive office at 818 South Kansas Avenue, Topeka, Kansas 66612. Certain capitalized terms as used in this Lease are defined in Exhibit A hereto, and such definitions are hereby incorporated herein and made a part hereof as though set forth herein in full.

### SECTION 1. Acceptance and Lease of Aircraft.

Subject to the satisfaction of each condition set forth in Section 2 (I) and (II), Lessor hereby agrees to purchase the Aircraft from the Supplier and to lease the same to Lessee and Lessee hereby agrees to lease the same from Lessor for the Basic Term hereof pursuant to the terms and conditions of this Lease. The sale of the Aircraft to Lessor shall include all of Supplier's right, title and interest in and to the Aircraft.

### SECTION 2. Conditions to Closing; Closing Covenants.

#### (I) Conditions Precedent.

Lessor's obligations to purchase the Aircraft from the Supplier and to lease said Aircraft to Lessee, shall each be both subject to and conditioned upon all of the following conditions being satisfied:

(a) Lessor receiving on or prior to the Acceptance Date, all of the following in form and substance satisfactory to it:

(i) the Purchase Documents duly executed and accompanied by evidence of authenticity and authority;

(ii) evidence of reservation of an "N" number for the Aircraft, together with an assignment of Lessee's rights in same to Lessor;

(iii) evidence that the Aircraft has been duly certified as to type and airworthiness by the FAA in the form of a Standard Airworthiness Certificate (FAA Form 8100-2) issued by the FAA;

(iv) three (3) duly executed originals of the Lease, including, Lease Supplement No. 1, Lease Supplement No. 2 and all Schedules and Exhibits thereto;

(v) a certificate or certificates, executed by the Lessee's secretary or other authorized officer certifying: (A) resolutions of Lessee's Board of Directors authorizing the execution, delivery and performance of this Lease, the Purchase Documents, the applicable FAA documents and the transactions contemplated hereby and thereby and (B) the name(s) of the person(s) authorized to execute and deliver such documents on behalf of Lessee together with specimen signature(s) of such person;

(vi) certificate(s) of insurance as to the coverage required under Section 14 hereof, accompanied, if requested by lessor, by the applicable policies and report(s) of insurance broker(s) or underwriter(s) pursuant to thereto as to the conformity of such coverage with such requirements;

(vii) evidence that FAA Counsel has received in escrow the executed FAA AC Form 8050-2 Aircraft Bill of Sale (the "Bill of Sale" in the name of Lessor and AC Form 8050-1 Aircraft Registration Application in the name of Lessor (the "Registration Application") (except for the pink copy which shall be available to be placed on the Aircraft upon acceptance thereof), releases in form and substance satisfactory to FAA Counsel, Lessor's counsel and/or Lessor of any Liens, such other bills of sale, in the form of FAA AC Form 8050-2 or otherwise, as are necessary, in the opinion of Lessor's counsel and/or FAA Counsel to vest good and marketable title to the Aircraft in the name of Lessor and executed duplicates of the Lease and Lease Supplements No. 1 and 2, all the foregoing (except for such Warranty Bill of Sale) being in proper form for filing with the FAA;

(viii) opinion of counsel for Lessee satisfactory to Lessor and in the form of Exhibit C hereto;

(ix) certificate(s) of good standing for Lessee from the state of its incorporation and the state(s) where the Primary Hangar Location and Lessee's chief executive offices and principal place of business are located;

(x) certified copies of the organizational documents of Lessee;

(xi) UCC financing statements executed by Lessee (and, where needed, assignment, release and/or termination statements) with respect to the Aircraft in all places which are, in Lessor's opinion, necessary or appropriate to protect Lessor's interest therein have been delivered to Lessor;

(xii) an opinion of FAA Counsel satisfactory to Lessor that title to the Airframe is vested in Lessor and that

the Aircraft (including, without limitation the Airframe and Engines) is free and clear of all liens and encumbrances of record;

(xiii) a security deposit amendment to this Lease, which security deposit amendment shall be in the form of Exhibit D hereto (any such security deposit amendment hereinafter referred to as the "Security Deposit Amendment"), and a Two Million and 00/100 Dollar (\$2,000,000.00) non-interest bearing security deposit which shall be held by the Lessor pursuant to the terms of Section 27 of this Lease and said Security Deposit Amendment;

(xiv) an Amendment to the Westar 1996 Lease concerning the termination of said lease which Amendment shall be in form and substance satisfactory in all respects to Lessor and Lessor's counsel; and

(xv) such other documents, certificates and opinions, and evidence of such other matters, as Lessor, Lessor's counsel or FAA Counsel may reasonably request.

(b) No material adverse change in the financial condition of Lessee, Western or Protection One, Inc. has occurred since the date of the last financial statements furnished to Lessor as set forth on Schedule No. 2 to Lease Supplement No. 1, which determination of the Lessee's, Western's or Protection One, Inc.'s respective financial condition shall be made by the Lessor.

(c) Receipt by Lessor of a satisfactory inspection report with respect to the Aircraft prepared by inspector(s) acceptable to Lessor.

(d) Lessee's acceptance of the Aircraft on or before the Acceptance Date.

(e) In addition to the above listed conditions precedent, Lessee covenants and agrees that upon Lessor's acknowledgement that all the conditions to the sale and lease as aforesated have been satisfied, Lessee shall release from escrow to Lessor the documents held by FAA Counsel on behalf of Lessee and shall authorize FAA Counsel to file and record all appropriate documentation, including, without limitation, the Lease and Lease Supplements No. 1 and No. 2, with the FAA on the Acceptance Date.

(II) Conditions Subsequent.

On or subsequent to the Acceptance Date, but not later than the date of the Aircraft's first flight under the leasehold conveyed herein, Lessee shall provide written confirmation to Lessor that a copy of the Registration Application has been properly placed within the Aircraft.

In addition if the Aircraft is more than 12,500 pounds maximum certificated takeoff weight, prior to the date of the Aircraft's first flight hereunder Lessee shall provide Lessor with written confirmation that:

(a) a copy of this Lease, including Lease Supplements No. 1 and No. 2, has been properly placed within the Aircraft;

(b) a copy of this Lease, including Lease Supplements No. 1 and No. 2, was mailed, within 24 hours following execution thereof, to the Flight Standards Technical Division of the FAA; and

(c) Lessee has notified the FAA (such notification to have been given by telephone or in person to the FAA Flight Standards District Office, General Aviation District Office, Air Carrier District Office or International Field Office nearest the airport where such flight will originate) concerning the first flight of the Aircraft under this Lease at least 48 hours prior to takeoff.

SECTION 3. Term and Rent.

(a) The leasing of the Aircraft by Lessor to Lessee shall commence on the Acceptance Date and end on the Expiration Date each as set forth on Schedule No. 2 to Lease Supplement No. 1, unless this Lease shall have been terminated or extended in accordance with the terms hereof.

(b) Lessee shall pay to Lessor as basic rent (herein referred to as "Basic Rent") the following:

(i) on the Acceptance Date, an amount equal to the Daily Lease Rate, multiplied by the number of days elapsed from and including the Acceptance Date with respect to the Aircraft to but excluding the Rent Commencement Date;

(ii) on the First Basic Rent Date and on each Basic Rent Date thereafter, to and including the sixtieth (60th) Basic Rent Date, an amount equal to the First Basic Lease Rate (subject to the Periodic Rental Adjustment provisions of Schedule 2-A to Lease Supplement No. 1 to this Lease);

(iii) on the sixty-first (61st) Basic Rent Date and on each Basic Rent Date thereafter, to and including the Last Basic Rent Date, an amount equal to the Second Basic Lease Rate (subject to the Periodic Rental Adjustment provisions of Schedule 2-A to Lease Supplement No. 1 to this Lease); and

(iv) after the Expiration Date until the Aircraft is returned to the Lessor in accordance with Section 8 hereof, an amount equal to the Second Basic Lease Rate (subject to the

Periodic Rental Adjustment provisions of Schedule 2-A to Lease Supplement No. 1 to this Lease) which amount shall be payable each and every calendar month immediately after the Expiration Date until the return of the Aircraft to the Lessor as provided under this Lease on the day of the month on which Basic Rent was payable during the Term.

(c) In addition, Lessee shall pay to Lessor the following amounts (herein referred to as "Supplemental Rent" and, together with all Basic Rent, collectively as "Rent"):

(i) on demand, any amount payable hereunder (other than Basic Rent, Casualty Value, Early Purchase Option Amount and/or any amounts due pursuant to Section 23 of this Lease plus any and all other applicable amounts due regarding the same) which Lessee assumes the obligation to pay, or agrees to pay, under this Lease to Lessor or others;

(ii) on the date provided herein, any amount payable hereunder as Casualty Value, Early Purchase Option Amount and/or any amounts due pursuant to Section 23 of this Lease plus any and all other applicable amounts due regarding the same; and

(iii) on demand, to the extent permitted by applicable law, interest at the Late Payment Rate for the number of days actually elapsed on any amount payable hereunder not paid when due, plus, as an administrative and late charge, an amount equal to five percent (5%) of the amount payable if not paid when due.

The expiration or other termination of Lessee's obligation to pay Basic Rent hereunder shall not terminate, limit or modify the obligations of Lessee with respect to Supplemental Rent, which shall survive such expiration or other termination.

(d) All payments of Rent or other amounts required hereunder shall be made to Lessor in immediately available United States funds on the date payable hereunder at its address set forth herein or at such other address or to such other Person as Lessor may direct by notice in writing to Lessee.

#### SECTION 4. Limited Appointment of Agent.

Lessor hereby appoints Lessee as Lessor's agent for the sole and limited purpose of accepting delivery of the Aircraft from the Supplier. The execution by Lessee of Lease Supplement No. 1 shall evidence that the Aircraft is leased under, and is subject to all of the terms, provisions and conditions of, this Lease and constitute Lessee's unconditional and irrevocable acceptance of the Aircraft for all purposes of this Lease.

SECTION 5. Warranties.

Lessor warrants that during the term of this Lease, so long as no Event of Default or Default has occurred and is continuing hereunder, Lessee's possession of the Aircraft shall not be divested by Lessor or anyone claiming through or under Lessor. Lessor also represents that (i) Lessor has full power and authority to enter into and to perform its obligations this Lease, (ii) the execution of this Lease by Lessor has been duly authorized, and (iii) this Lease constitutes a valid and legally binding obligation of Lessor enforceable against Lessor in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the enforceability of creditor's rights generally and subject to any competent court's discretion in applying equitable remedies.

The warranty and representations set forth hereinabove is in lieu of all other warranties of Lessor, whether written, oral or implied; with respect to this Lease or the Aircraft, and Lessor shall not be deemed to have modified in any respect the obligations of Lessee pursuant to Section 7 hereof, which obligations are and shall remain absolute, irrevocable and unconditional under all events and circumstances whatsoever. LESSEE EXPRESSLY ACKNOWLEDGES THAT IT HAS SELECTED THE AIRCRAFT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES AND LESSEE EXPRESSLY AGREES THAT IT IS LEASING THE AIRCRAFT FROM LESSOR IN AN "AS IS" CONDITION. LESSOR SHALL NOT BE DEEMED TO HAVE MADE, AND LESSOR HEREBY EXPRESSLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY (EXCEPT FOR THE WARRANTY AND REPRESENTATIONS CONTAINED IN THIS SECTION 5), EITHER EXPRESS OR IMPLIED, AS TO THE AIRCRAFT, ANY PART THEREOF, ANY RECORDS, OR ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, CONDITION, CAPACITY OR DURABILITY OF THE AIRCRAFT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, USE OR OPERATION, THE QUALITY OF THE MATERIALS OR WORKMANSHIP OF THE AIRCRAFT, ITS VALUE OR AIRWORTHINESS, TITLE, SAFETY, THE ABSENCE OF ANY PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT OR LATENT DEFECT (WHETHER OR NOT DISCOVERABLE BY LESSEE), COMPLIANCE OF THE AIRCRAFT WITH THE REQUIREMENTS OF ANY LAW, RULE, REGULATION OR STANDARD PERTAINING THERETO, OR THE CONFORMITY OF THE AIRCRAFT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE DOCUMENT RELATING THERETO OR ANY INTERFERENCE OR ANY COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, NOR SHALL LESSOR BE LIABLE, REGARDLESS OF ANY ACTUAL OR ALLEGED NEGLIGENCE OF LESSOR, FOR ANY DEFECTS, EITHER PATENT OR LATENT (WHETHER OR NOT DISCOVERABLE BY LESSEE), IN THE AIRCRAFT OR ANY PART THEREOF OR ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTY RESULTING

THEREFROM OR FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR STRICT OR ABSOLUTE LIABILITY IN TORT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, LESSEE HEREBY WAIVES ANY CLAIM (INCLUDING ANY CLAIM BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR INFRINGEMENT) IT MIGHT HAVE AGAINST LESSOR FOR ANY LOSS, DAMAGE (INCLUDING, WITHOUT LIMITATION, DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGE) OR EXPENSE CAUSED BY THE AIRCRAFT OR BY LESSEE'S LOSS OF USE THEREOF FOR ANY REASON WHATSOEVER, EXCEPT FOR ANY CLAIMS AGAINST LESSOR ARISING SOLELY FROM THE BREACH OF ANY WARRANTY OF THE LESSOR CONTAINED IN THIS SECTION 5.

Lessee acknowledges that Lessee, and not Lessor, has selected the Aircraft, the Airframe and the Engines. Lessee further acknowledges that Lessor has not manufactured or supplied the Aircraft, the Airframe, or the Engines and that the Lessor acquired or will acquire the Aircraft and/or the right to possession thereto in connection with this Lease.

So long and only so long as an Event of Default or Default hereunder shall not have occurred and be continuing, and so long and only so long as the Aircraft shall be subject to this Lease and Lessee shall be entitled to possession of the Aircraft hereunder, Lessor assigns to Lessee and authorizes Lessee, at Lessee's expense, to assert for Lessor's account, all rights and powers of Lessor under any manufacturer's, vendor's or dealer's warranty on the Aircraft or any part thereof, (including, without limitation, any warranty of Manufacturer or Supplier). Notwithstanding the foregoing, Lessee shall not attempt to enforce any such performance by legal proceeding without Lessor's prior written approval, which approval shall not be unreasonably withheld or delayed; provided, however, upon the occurrence and continuation of an Event of Default, any approval of Lessor regarding the same shall be at its sole discretion.

SECTION 6. Representations, Warranties and Agreements of Lessee.

Lessee represents, warrants and agrees as follows:

(a) Due Organization of Lessee. Lessee has the form of business organization indicated in the caption of this Lease and is duly organized and existing in good standing under the laws of the state listed in the caption of this Lease and is duly qualified to do business wherever necessary to carry on its present business and operations and to own its property.

(b) Due Authorization of Lessee; No Violation by Lessee. This Lease has been duly authorized by all necessary action on the part of Lessee consistent with its form of organization, does not require any further shareholder, member or

partner approval, does not require the approval of, or the giving notice to, any Federal, state, local or foreign governmental authority (including, without limitation, the Department of Transportation and/or the FAA) and does not contravene any law binding on Lessee or contravene any provision of, or constitute a default or result in the creation of any Lien other than a Permitted Lien under any certificate or articles of incorporation or organization or by-laws or partnership certificate or agreement, or any agreement, indenture, or other instrument to which Lessee is a party or by which it may be bound.

(c) Enforceability of Lease. This Lease has been duly executed and delivered by authorized officers or partners of Lessee and constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.

(d) Financial Statements of Lessee. Lessee agrees to furnish Lessor (i) as soon as available, and in any event within one hundred twenty (120) days after the last day of each fiscal year of Lessee, a copy of the balance sheets of Lessee as of the end of such fiscal year, and related statements of income and retained earnings of Lessee for such fiscal year, all in reasonable detail prepared in accordance with generally accepted accounting principles consistently applied and certified by the treasurer or the principal financial officer of the Lessee, each on a comparative basis with corresponding statements for the prior fiscal year; provided, however, that in the event Western no longer owns at least fifty percent (50%) of the voting capital stock and voting control of Lessee, Lessee shall have such balance sheets and statements certified by an independent certified public accounting firm of recognized standing which is reasonably acceptable to Lessor, and which certification shall commence with the fiscal year in which Western no longer owns said fifty percent (50%) voting capital stock and voting control of Lessee and shall continue for each fiscal year thereafter; provided, further, however, that in the event of any permitted Reorganization, the surviving entity shall have such balance sheets and statements certified by an independent certified public accounting firm of recognized standing which is reasonably acceptable to Lessor, and which certification shall commence with the fiscal year in which the permitted Reorganization occurs and shall continue for each fiscal year thereafter; (ii) within sixty (60) days after the last day of each fiscal quarter of Lessee (except the last fiscal quarter of any fiscal year), a copy of the balance sheet of Lessee as of the end of each such quarter, and statement of income and retained earnings covering the fiscal year to date of Lessee, each on a comparative basis with the corresponding period of the prior year, all in reasonable detail and certified by the treasurer or principal financial officer of Lessee, and (iii) within thirty (30) days after the date on which they are filed, all reports, forms and other filings, if any, required to be made by Lessee to the Securities and Exchange Commission ("SEC") or (in respect of the Aircraft or the Lease) the FAA, including, without limitation, any SEC Form 10-Q and

related reports or documents. All credit, financial and other information provided by Lessee or at Lessee's direction is, and all such information hereafter furnished will be, true, correct and complete in all material respects.

(e) Furnishing of Information. Lessee agrees that it shall furnish from time to time to Lessor such information relating to Lessee, and its subsidiaries and/or affiliates, financial or otherwise, as Lessor shall reasonably request.

(f) Location of Chief Executive Offices. The chief executive offices and principal place of business of Lessee is located at the address set forth in Schedule No. 2 to Lease Supplement No. 1, and Lessee agrees to give Lessor thirty (30) days' prior written notice of any relocation of said chief executive offices or principal place of business from its present location, or of any change in its name or identity.

(g) Documents on Board. A current and valid Registration Application or Certificate of Aircraft Registration, and a copy of this Lease and the Lease Supplements, will be kept on board the Aircraft at all times during the term of this Lease.

(h) Selection of Aircraft. Lessor has not selected, manufactured or supplied the Aircraft to Lessee and has acquired the Aircraft subject hereto solely in connection with this Lease and Lessee has received and approved the terms of any purchase order or agreement with respect to the Aircraft.

(i) Litigation relating to Lessee. There are no proceedings pending or, so far as the officers of Lessee know, threatened against or affecting Lessee or any of its property before any court, administrative officer or administrative agency which would have a material adverse affect on the title of Lessor to the Aircraft, or which, if decided adversely affect the financial condition or operations of Lessee or the ability of Lessee to perform its obligations under this Lease. Further, Lessee is not in default under any material obligation for the payment of borrowed money, for the deferred purchase price of property, or for the payment of any rent which, either individually or in the aggregate, would have the same such effect.

(j) No Adverse Mortgages. The right, title and interest of Lessor in and to the Aircraft and the Rent will not be adversely affected or impaired by the terms of any mortgage, loan agreement or indenture or any other contract, agreement or instrument to which Lessee is a party, or under which it or any of its property is or may become bound. In addition, no mortgage, deed of trust, or other Lien which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Aircraft, the Airframe or any Engine, or in any manner

affects or will affect adversely Lessor's right, title and interest therein.

(k) Taxes. Lessee has filed or caused to be filed and will continue to file all Federal, state and local tax returns which are required to be filed, and has paid or caused to be paid and will continue to pay all taxes shown to be due and payable on such returns or (except to the extent being contested in good faith and for the payment of which adequate reserves have been provided) on any assessment received by Lessee, to the extent that such taxes have heretofore or in the future become due and payable.

(l) Filing. Except for the registration of the Aircraft with the FAA and except for filing and recording of the applicable documents pursuant to the Federal Aviation Act no further action, including any filing or recording of any document (except for any financing statement under Article 9 of the UCC of any applicable jurisdiction to be filed pursuant hereto) is necessary or advisable in order to establish and perfect Lessor's title to and interest in, the Aircraft, as against Lessee and/or any Person in any applicable jurisdiction.

(m) Good Title. Lessor will be the owner of the Aircraft as of the Acceptance Date and will have good and marketable title to the Aircraft, free and clear of all Liens other than any Liens created in favor of Lessor under this Lease.

(n) Records. Lessee has reviewed all Records with respect to the operation and maintenance of the Aircraft prior to the Acceptance Date and such Records have been kept in accordance with the requirements of the FAA rules and regulations and industry standards. Lessee shall maintain all such Records during the Term of this Lease in accordance with the requirements of the FAA, and any manufacturer's maintenance programs or requirements as well as Sections 8 and 11 of this Lease.

(o) Claims. Lessee has no pending claims, and does not have knowledge of any facts upon which a future claim may be based, against any prior owner, the Manufacturer or Supplier of the Aircraft or of any Engine or part thereof for breach of warranty or otherwise.

(p) U.S. Citizen. The Lessee is and will continue to be a "citizen of the United States" within the meaning of the Federal Aviation Act.

(q) Engines. Each of the Engines has 750 or greater rated takeoff horsepower or the equivalent of such horsepower.

(r) Corporate Existence; Merger, Sale, etc. Lessee shall at all times maintain its corporate existence and, shall not consolidate, reorganize or merge with or into any other corporation or Person (any of the foregoing events, each

individually or all collectively, hereinafter referred to as the "Reorganization") without the prior written consent of Lessor unless immediately subsequent to such proposed Reorganization (i) the surviving entity of any such proposed Reorganization shall be the Lessee or a corporation organized for the purpose of re-incorporating the Lessee in the State of Delaware (any such corporation hereinafter referred to as the "Delaware Corporation"), (ii) the financial condition of any such surviving entity (whether Lessee, the Delaware Corporation or any other Person), as determined by Lessor, shall be at least equal to or better than Lessee's financial condition as evidenced by the Lessee's balance sheet dated December 31, 1999, (iii) the Security Deposit and the Security Deposit Amendment shall, in Lessor's determination, remain in full force and effect and shall secure and/or cover all of the obligations and liabilities of any such surviving entity under this Lease for all purposes, and (iv) no Default or Event of Default under this Lease shall occur or result from any such proposed Reorganization; provided, however, as a result of any permitted Reorganization, the surviving entity, including, without limitation, the Delaware Corporation (but excluding the Lessee if Lessee is the surviving entity), shall execute and deliver to Lessor an Assumption, Assignment and Amendment Agreement ("Assumption Agreement"), which Assumption Agreement shall be in substantially the form attached hereto and made a part hereof as Exhibit F and shall provide for, among other things, an effective assumption of this Lease, and the due and punctual performance and observation of each term and condition of this Lease, and the surviving entity, including, without limitation, the Delaware Corporation (but excluding the Lessee if Lessee is the surviving entity), shall execute and deliver to Lessor an agreement acceptable to the Lessor, in its sole discretion, containing an effective ratification of the Security Deposit and the Security Deposit Amendment for the benefit of the Lessor, and the due and punctual performance and observation of each term and condition of the Security Deposit Amendment; provided, further, however, that the Assumption Agreement from the surviving entity, including, without limitation, the Delaware Corporation (but excluding the Lessee if Lessee is the surviving entity), and the ratification agreement from the surviving entity, including, without limitation, the Delaware Corporation (but excluding the Lessee if Lessee is the surviving entity), shall be delivered to the Lessor prior to any such permitted Reorganization. Lessee shall not sell, convey, transfer or lease, as applicable, all or a substantial portion of its assets to any Person without the prior written consent of Lessor. Lessee (or any holder of any of Lessee's stock) shall not sell, convey or transfer an aggregate amount of more than forty-nine percent (49%) of Lessee's outstanding stock at any time to any Person (whether by one (1) transaction or a series of transactions) without the prior written consent of Lessor; provided, however, that no Default or Event of Default under this Lease shall occur or result from any permitted or proposed sale (or any other permitted or proposed disposition) of Lessee's stock; provided, further, however, that any sales of stock of Lessee which relate solely to

the separation of Western's electric utility business from its non-electric business as contemplated in and relating to Western's March 29, 2000 press release/announcement (any such sales of stock of Lessee as they relate solely to such separation hereinafter referred to as the "Lessee Stock Separation Sales") are permitted without the prior written consent of the Lessor but only so long as any such proposed Lessee Stock Separation Sales do not result in the occurrence of any Default or Event of Default under this Lease and in the event that any such proposed Lessee Stock Separation Sales would result in the occurrence of any Default or Event of Default under this Lease, any such proposed Lessee Stock Separation Sales shall be subject to the prior written consent of Lessor. Lessee shall not become the subject of, or shall not engage in, a leveraged buy out without the prior written consent of Lessor.

(s) Debt Service Coverage. Lessee shall maintain Debt Service Coverage of not less than 1.50 to 1.00 as of the end of the Lessee's Fiscal Year ending December 31, 2000 and as of the end of each Fiscal Year of the Lessee thereafter throughout the remaining Term of the Lease. The foregoing calculation and/or determination shall be made in accordance with generally accepted accounting principles applied on a consistent basis and shall also be determined as of the end of each such Fiscal Year for the 12 month period immediately preceding such determination date.

(t) Funded Debt To Worth. Lessee shall maintain a ratio of Funded Debt to Worth of not more than 2.50 to 1.00 as of the end of Lessee's Fiscal Year ending December 31, 2000 and as of the end of each Fiscal Year of the Lessee thereafter throughout the remaining Term of the Lease. The foregoing calculation and/or determination shall be made in accordance with generally accepted accounting principles applied on a consistent basis and shall also be determined as of the end of each such Fiscal Year for the 12 month period immediately preceding such determination date.

(u) Fiscal Year. Lessee shall not change its Fiscal Year without the prior written consent of the Lessor.

(v) Compliance Certificate. Lessee shall furnish, within 120 days after the end of the Lessee's Fiscal Year ending December 31, 2000 and as of the end of each Fiscal Year of the Lessee thereafter throughout the remaining Term of the Lease, a Compliance Certificate, certified by Lessee's chief financial officer, as to the Lessee's compliance with Section 6(s), Section 6(t) and Section 6(u) of this Lease.

(w) Accuracy of Financial Statements. All balance sheets, statements of profit and loss and other financial data that have been delivered to Lessor with respect to Lessee and/or Western (i) are complete and correct in all material respects, (ii) accurately present the financial condition of Lessee and/or Western on the dates for which, and the results of its operation for the periods for which, the same have been furnished, and (iii) have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods

covered thereby; provided that for purposes of this Section 6(w), a Protection One Change shall not result in any such financial statements being deemed to be incorrect, inaccurate or not having been prepared in accordance with generally accepted accounting principles. In addition, all balance sheets disclose all known liabilities, direct and contingent, as of their respective dates, and there has been no material adverse change in the condition of Lessee and/or Western, financial or otherwise, since the date of the most recent financial statements delivered to Lessor with respect to Lessee and/or Western.

SECTION 7. Net Lease.

This Lease is a net lease, and Lessee acknowledges and agrees that Lessee's obligation to pay all Rent hereunder and the rights of Lessor in and to such Rent, shall be absolute, irrevocable and unconditional and shall not be subject to cancellation, termination, modification or repudiation by Lessee or any abatement, reduction, setoff, defense, counterclaim or recoupment (collectively, "Abatements") for any reason or under any circumstance whatsoever, including, without limitation, Abatements due to any present or future claims of Lessee against Lessor, its successors and assigns whether under this Lease or otherwise, the Manufacturer, the Supplier or any other Person for whatever reason. Lessee hereby waives any and all existing and future claims to any Abatement against such Rent, and agrees to pay all such Rent regardless of any Abatement which may be asserted in connection with this Lease, the Aircraft or otherwise. Except as otherwise expressly provided herein, this Lease shall not terminate, nor shall the obligations of Lessee be affected, by reason of any defect in or damage to, or any loss or destruction of, the Aircraft or any part thereof from whatsoever cause, or the invalidity or unenforceability or lack of due authorization of this Lease or lack of right, power or authority of Lessor to enter into this Lease, or for any other cause, whether similar or dissimilar to the foregoing, any present or future law or regulation to the contrary notwithstanding, it being the express intention of Lessor and Lessee that all Rent payable to Lessee hereunder shall be, and continue to be, payable in all events unless and until the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

SECTION 8. Return of Aircraft.

(a) Condition Upon Return. Unless purchased by Lessee pursuant to Section 23 hereof, upon the expiration or other termination of this Lease (whether following an Event of Default or otherwise), Lessee, at its own expense, will return the Aircraft to Lessor at a location specified by the Lessor within the continental United States or to such other location as Lessor may reasonably request and in the condition in which the Aircraft is required to be maintained pursuant to Section 11 hereof and

any other applicable provisions of the Lease, fully equipped with the same number, make and model number of Engines as are set forth on Schedule No. 1 to Lease Supplement No. 1, which shall fully comply with Section 8(g) hereof, and which, in the opinion of Lessor, have the same or improved utility, value, useful life, performance, and efficiency and suitable for use on the Airframe and owned by Lessor and properly installed thereon. Lessee shall not be relieved of any of its duties, obligations, covenants, or agreements under this Lease (including, without limitation, its obligation to pay Basic Rent) prior to the return of the Aircraft in the manner and condition required with respect to such return. The Aircraft, at Lessee's expense, upon redelivery pursuant hereto, (i) shall be duly certified by the FAA as an airworthy aircraft, (ii) shall be free and clear of all Liens other than this Lease and any Lessor's Liens, (iii) shall be in the same configuration and in the same operating condition, ordinary wear and tear excepted, as when delivered to Lessee hereunder, (iv) shall be in good operating condition, in good physical condition and good appearance (ordinary wear and tear excepted) and (v) shall be otherwise in the condition and repair required under this Lease. If at the time of the return of the Aircraft to Lessor for any reason whatsoever, the total number of hours flown by the Aircraft from the Acceptance Date to the date of return of the Aircraft divided by the number of years or portion thereof from the Acceptance Date to the date of return exceeds four hundred and fifty (450) hours per year, then, in addition to any other amounts due to Lessor pursuant to this Section 8 or otherwise, Lessee shall pay to Lessor an amount equal to the sum of \$100.00 multiplied by the cumulative number of hours by which the annual flight time for the same exceeds four hundred and fifty (450) hours per year, which amount shall be paid by the Lessee to the Lessor on the date that the Aircraft is returned to the Lessor.

(b) Overhaul-General. At the time of such return, (i) the Airframe (including, without limitation) the landing gear on the Aircraft) shall not have been operated more than one-half of the allowable time between major airframe overhauls or major block maintenance before the next major airframe overhaul or major block maintenance, whichever shall then apply, in accordance with Lessee's then approved overhaul and/or maintenance program authorized by and performed to FAA requirements applicable to Lessee, and shall have no less than half life (as measured by reference to calendar, phase and/or periodic maintenance and/or inspection standards) remaining on any life limited Airframe part or component (including, without limitation, the landing gear on the Aircraft) before overhaul or replacement and (ii) each Engine shall not have been operated more than one-half of the allowable time remaining before overhaul (both hot and cold sections as measured by reference to calendar, phase and/or periodic maintenance and/or inspection standards) and all cycle limited parts or time controlled components of each Engine shall not have been operated more than one-half the allowable cycles or time remaining before

replacement; said Engine overhaul and Engine parts and components replacement to be performed in accordance with Lessee's then approved engine overhaul and parts and components replacement program authorized by and performed to FAA requirements applicable to Lessee. Notwithstanding the foregoing, the requirements of clause (ii) above shall be deemed to have been satisfied if at the time of return of the Engines (x) the Engines being returned to Lessor shall be covered by, and shall be in full compliance with all of the provisions of, a service and maintenance contract in form and substance and with an entity satisfactory to Lessor which provides for the maintenance and/or overhaul of the Engines (any such satisfactory service and maintenance contract hereinafter referred to as the "Maintenance Contract"), (y) adequate reserves for future required maintenance and/or overhaul shall have been provided for pursuant to such Maintenance Contract, and (z) the entity which provides the maintenance and/or overhaul services under such Maintenance Contract shall either (i) recognize the transfer by Lessee to Lessor (or its designee) of the rights and interests of Lessee under such Maintenance Contract, or (ii) acknowledge the rights and interest of Lessor (or its designee) under such Maintenance Contract.

(c) Overhaul-Airframe. In the event that Lessee does not meet the conditions in clause (i) of Section 8(b) hereof with respect to the Airframe, Lessee shall pay Lessor a dollar amount computed by multiplying (i) Lessor's then current cost for such major overhaul or major block maintenance as the case may be (such cost being the then current rates charged by an airframe overhaul facility approved by the Manufacturer of the Airframe and acceptable to Lessor, together with all costs associated with such overhaul), by (ii) a fraction of which (x) the numerator shall be the excess of the number of hours since the last such major overhaul or major block maintenance, as the case may be, over fifty percent (50%) of the number of hours of allowable time between major overhauls or major block maintenance and (y) the denominator shall be the total number of hours of such allowable time.

In the event the life limited parts or components requirement contained in clauses (i) or (ii) of Section 8(b) hereof is not met, Lessee shall pay to Lessor with respect to each part or component for which said requirement is not met the dollar amount obtained by multiplying (i) the ratio that the life expended in excess of half-life bears to the total allowable life for such part or component by (ii) Lessor's cost of replacement of such part or component. Lessor's cost of replacement of a part or component shall include Lessor's then current cost of purchasing the part or component itself and all of Lessor's then current costs associated with the replacement. Notwithstanding the foregoing, the requirements of clause (ii) above shall be deemed to have been satisfied if at the time of return of the Aircraft (x) the Engines being returned to Lessor shall be covered by, and shall be in full compliance with all of the

provisions of, the Maintenance Contract, (y) adequate reserves for future required maintenance and/or overhaul shall have been provided for pursuant to such Maintenance Contract, and (z) the entity which provides the maintenance and/or overhaul services under such Maintenance Contract shall either (i) recognize the transfer by Lessee to Lessor (or its designee) of the rights and interests of Lessee under such Maintenance Contract, or (ii) acknowledge the rights and interest of Lessor (or its designee) under such Maintenance Contract.

(d) Overhaul-Engine. In the event that Lessee does not meet the conditions in clause (ii) of Section 8(b) hereof with respect to the Engines, Lessee shall pay to the Lessor with respect to each Engine for which said conditions are not met the dollar amount per Engine obtained by multiplying (i) the ratio that the time accumulated since half time bears to the time allowable between overhaul by (ii) Lessor's cost for such overhaul of such Engine; Lessor's cost referred to in this clause (ii) being the then current rates charged by an engine overhaul facility approved by the Manufacturer of the Engines and acceptable to Lessor, together with all costs associated with such overhaul.

In the event the foregoing Engine cycle limited part and time controlled component requirement set forth in clause (ii) of Section 8(b) hereof is not met, Lessee shall pay to Lessor with respect to each Engine for which said requirement is not met the dollar amount per part (or per component) obtained by multiplying (i) the ratio that the time (or cycles) accumulated since half time (or one-half the allowable cycles) bears to the time (or cycles) accumulated since half time (or one-half the allowable cycles) bears to the time (or cycles) allowable between replacements by (ii) Lessor's cost of replacement of the part (or component). Lessor's cost of replacement of a part or component shall include Lessor's then current cost of purchasing the part or component itself and all of Lessor's then current costs associated with the replacement.

(e) Fuel: Records. Upon the return of the Aircraft, in accordance with this Section, (i) each fuel tank shall contain the same quantity of fuel as was contained in such tank when the Aircraft was delivered to Lessee on the Acceptance Date (which shall be presumed to be fifty percent (50%) of full capacity, unless otherwise specified in the Purchase Documents) or, in the case of differences in such quantity, an appropriate adjustment will be made at the then current market price of fuel, and (ii) upon such return, Lessee shall deliver to Lessor all Records. In the event any Records are missing or incomplete, Lessor shall have the right to cause any such Records to be reconstructed at the expense of Lessee.

(f) Storage. Upon the expiration or other termination of the Lease, Lessee will, if requested by Lessor, permit Lessor to store the Aircraft at the Primary Hangar Location as described

in Schedule No. 2 to Lease Supplement No. 1 for a period of up to sixty (60) days from the date of any such expiration or termination of the Lease. During such sixty (60) day storage period Lessee will, at its own cost and expense, keep the Aircraft properly hangared, and will permit Lessor or any person designated by Lessor, including the authorized representative or representatives of any prospective purchaser, lessee or user of the Aircraft to inspect the same. Lessee shall not be liable, except in the case of negligence or intentional misconduct of Lessee or of its employees or agents, for injury to, or the death of, any person exercising, either on behalf of Lessor or any prospective purchaser, Lessee or user, the rights of inspection granted hereunder. Lessee shall bear the risk of loss and shall pay any and all expenses connected with insuring and maintaining the Aircraft during such sixty (60) day storage period.

(g) Return of Engines. In the event that any engine not owned by Lessor shall be installed on the returned Airframe as set forth in paragraph (a) of this Section, then Lessee will, concurrently with such delivery, at its own expense and not at any cost to Lessor, furnish Lessor with a full warranty bill of sale, in form and substance satisfactory to Lessor, with respect to each such engine and with a written opinion of FAA Counsel to the effect that, upon such return, Lessor will acquire good and marketable title to such engine, free and clear of all Liens (except Lessor's Liens). Thereupon, unless a Default or Event of Default shall have occurred and be continuing, Lessor will transfer to Lessee, without recourse or warranty of any kind whatsoever (except as to Lessor's Liens) on an "AS-IS, WHERE-IS" BASIS WITHOUT ANY REPRESENTATION BY, OR RECOURSE OR WARRANTY TO, LESSOR, all of Lessor's right, title and interest in and to any Engine not installed on the Airframe at the time of the return of such Airframe.

(h) Inspection Prior to Return. Not more than ninety (90) days prior to the expiration of the Lease, upon the written request of Lessor, Lessee shall, at its expense, review the maintenance records of the Aircraft to determine if the Aircraft is in the condition required by Section 8(a). Following such review, Lessee shall certify to Lessor that such Aircraft is in the condition required by Section 8(a) according to the maintenance records for such Aircraft, or, if the maintenance records so indicate, indicate what maintenance or repair is needed to bring the Aircraft to the specified condition.

(i) Survival. The provisions of this Section 8 shall survive the expiration or other termination of this Lease and the return of the Aircraft for any reason whatsoever for a period of three (3) years after any such expiration or other termination of this Lease.

(j) Injunctive Relief. Without limiting any other terms or conditions of this Lease, the provisions of this Section 8 are of the essence of this Lease, and upon application to any

court of equity having jurisdiction, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee set forth in this Section 8.

SECTION 9. Liens.

Lessee will not directly or indirectly, voluntarily or involuntarily, create, incur, assume or suffer to exist any Liens on or with respect to the Aircraft or any part thereof, Lessor's title thereto or any interest of Lessor therein (and Lessee will promptly, at its own expense, take such action as Lessor deems necessary or advisable to duly discharge any such Lien), except Permitted Liens. In the event that Lessee fails to take action to discharge or remove any such Lien, Lessor may take such action as it deems necessary or appropriate to discharge or remove such Lien. Lessee shall reimburse Lessor on demand for any costs incurred by Lessor in connection with such action together with interest at the Late Payment Rate. Lessor's rights hereunder are in addition to, and not in derogation of, any other rights which Lessor may have hereunder, at law or in equity.

SECTION 10. Taxes.

(a) Lessee agrees to (i) report, to the extent legally permissible (or if such reporting by Lessee is not legally permissible, then to prepare reports for filing by Lessor), (ii) pay when due and (iii) to defend and indemnify Lessor against liability for all license and registration fees, assessments, and sales, use, property, excise, privilege and other taxes (including any related interest or penalties) or other charges or fees now or hereafter imposed by any governmental body or agency upon the Aircraft (or any part thereof), or with respect to landing, airport use, manufacturing, ordering, shipment, purchase, ownership, delivery, installation, leasing, operation, possession, use, return, or other disposition thereof or the rentals hereunder (other than taxes on or measured solely by the net income of Lessor) ("Impositions"). Any fees, taxes or other lawful charges paid by Lessor upon failure of Lessee to make such payments shall at Lessor's option become immediately due from Lessee to Lessor. Notwithstanding the foregoing, Lessee shall pay, indemnify Lessor for, and hold Lessor harmless on a net after-tax basis from and against, all Impositions on or measured by the net income of Lessor imposed against Lessor by any Federal, state, local or foreign government or other taxing authority if and to the extent that Lessor would not have incurred such Impositions but for the operation or presence of the Aircraft within the jurisdiction asserting an Imposition.

(b) In the event that the Lessor sells, transfers or assigns this Lease or the Aircraft, the Lessee shall not be required to indemnify the Lessor for any Imposition which occurs solely as a result of any such sale, transfer or assignment, but only to the extent that (i) any such Imposition would not have

occurred with respect to the original Lessor had there been no such sale, transfer or assignment, or (ii) the amount payable by reason of any such Imposition exceeds that amount that would have been payable by the Lessee with respect to the original Lessor had there been no such sale, transfer or assignment; provided, however, that the foregoing exclusions shall not apply in any way whatsoever to any sale, assignment, transfer or other disposition of this Lease or the Aircraft that results after any Default or Event of Default has occurred and is continuing under this Lease. In addition to the foregoing, the Lessee shall not be required to indemnify the Lessor for any Imposition which occurs solely as a result of any interest, penalties or additions to any Imposition that would not have resulted but for failure of the Lessor to timely file any return or report, unless such failure or breach of the Lessor shall result from the failure of Lessee to take any action with respect to such return or report required of Lessee under this Lease.

SECTION 11. Registration, Maintenance and Operation; Compliance and Use; Replacement Parts; Additions; Aircraft Marking.

(a) Registration, Maintenance and Operation. During the term of this Lease, Lessee, at its own cost and expense, shall (i) cause the Aircraft to be duly registered in the name of the Lessor under the Federal Aviation Act at all times; (ii) maintain, inspect, service, repair, overhaul and test the Airframe and each Engine in accordance with FAA approved and Manufacturer's recommended maintenance programs; (iii) maintain (in the English language) all Records and (iv) promptly furnish to Lessor such information as may be required to enable Lessor to file any reports required by any governmental authority as a result of Lessor's ownership of the Aircraft. All maintenance procedures required by Section 11, subparagraph (a)(ii) or any other provision of this Lease shall be performed in accordance with all FAA and Manufacturer's standards and procedures by properly trained, licensed, and certified maintenance sources and maintenance personnel utilizing replacement parts approved by the FAA and the Manufacturer, so as to keep the Airframe and each Engine in good operating condition, ordinary wear and tear alone excepted, and to enable the airworthiness certificate for the Aircraft to be continually maintained.

(b) Compliance and Use. Lessee shall operate the Aircraft in the conduct of its business and/or for commercial purposes and in a passenger configuration for which Lessee is duly authorized by the FAA and it will not operate or permit the Aircraft to be operated at any time or in any geographic area when or where insurance required by the provisions of Section 14 hereof shall not be in effect, or in a manner, for any time period, such that Lessor or a third party shall be deemed to have "operational control" of the Aircraft. Throughout the term of this Lease, the possession, use and maintenance of the Aircraft

shall be at the sole risk and expense of Lessee and the Aircraft shall be based at the Primary Hangar Location set forth in Schedule No. 2 to Lease Supplement No. 1. At all times the Aircraft will be operated only by duly qualified, currently certificated pilots as required by the insurance policies required under this Lease. IN ADDITION, EXCEPT AS EXPRESSLY PERMITTED BY THE FOLLOWING PARAGRAPH, THE AIRCRAFT SHALL NOT BE OPERATED, USED OR LOCATED OUTSIDE THE CONTINENTAL UNITED STATES.

Notwithstanding the foregoing, Lessor agrees that the Aircraft may be flown temporarily to any country in the world in connection with the conduct of Lessee's business; provided, however, that in no event may the Aircraft temporarily fly, be operated, used or located in, to or over any such country or area (1) which is excluded from coverage by any insurance policy in effect with respect to such Aircraft or by any insurance policy required by the terms of Section 14 hereof or any country or area not specifically and fully covered by such insurance; (2) in a recognized or threatened area of hostility unless fully covered to Lessor's satisfaction by hull, political, expropriation, hijacking and war risk insurance or (3) with which the United States of America does not maintain favorable diplomatic relations. Lessee further agrees that it shall not operate the Aircraft, or permit the Aircraft to be operated in any manner unless the insurance coverages set forth in Section 14 hereof are in full force and effect.

(c) Replacement Parts. Except as otherwise provided in the succeeding paragraph (d) of this Section, Lessee, at its own cost and expense, will promptly replace all Parts which may from time to time become worn out, lost, stolen, taken, destroyed, seized, confiscated, requisitioned, damaged beyond repair or permanently rendered or declared unfit for use for any reason whatsoever.

(d) Additions. Lessee shall be entitled from time to time during the term of this Lease to acquire and install on the Aircraft at Lessee's own cost and expense (and Lessor hereby appoints Lessee to be Lessor's agent for such purpose, so long as no Event of Default has occurred and is continuing), any additional accessory, device or equipment as may be available at such time ("Additions") but only so long as such Additions (i) are ancillary to the Aircraft, (ii) are not required to render the Aircraft complete for its intended use by Lessee, (iii) will not impair the originally intended function or use of the Aircraft or diminish the value of the same, (iv) can be readily removed without causing material damage to the Aircraft and (v) do not violate the provisions or Revenue Procedure 76-30, Revenue Procedure 79-48, Revenue Procedure 75-21, 1975-1 C.B. 715, or Revenue Procedure 79-48, 1979-2, C.B. 529 of the Code (as each of them, or all of them, may hereafter be modified or superseded) or any other Code Revenue Procedure, Section or Regulation. Title to Additions which are not removed by Lessee prior to the return of the Aircraft to Lessor shall vest in Lessor upon such return. Lessee shall repair all damage to the Aircraft resulting from

such installation and removal of Additions so as to restore the Aircraft to its condition prior to installation, ordinary wear and tear excepted.

(e) Aircraft Marking. Lessee agrees, at its own cost and expense, to (i) cause the Airframe and the Engines to be kept numbered with the identification or serial number therefor as specified in Schedule No. 1 to Lease Supplement No. 1 hereof; (ii) prominently display on the Aircraft that "N" number, and only that "N" number, specified in Schedule No. 1 to Lease Supplement No. 1 or such other "N" number as has been approved in writing by the Lessor and duly recorded with the FAA; (iii) notify Lessor in writing thirty (30) days prior to making any change in the configuration (other than changes in configuration mandated by the FAA), appearance or coloring of the Aircraft from that in effect at the time the Aircraft is accepted by Lessee hereunder, and in the event of such change or modification of configuration, coloring or appearance, at the request of Lessor to restore the Aircraft to the configuration, coloring and/or appearance in effect on the Acceptance Date or, at Lessor's option to pay to Lessor an amount equal to the reasonable cost of such restoration and (iv) affix and maintain in the Airframe adjacent to the airworthiness certificate and on each Engine a metal nameplate bearing the Aircraft Marking specified in Lease Supplement No. 2 and such other markings as from time to time may be required by law or otherwise deemed necessary or advisable by Lessor in order to protect the title of Lessor to the Aircraft and the rights of Lessor under this Lease. Lessee will not place the Aircraft in operation or exercise any control or dominion over the same until such Aircraft Markings have been placed thereon. Lessee will replace promptly any such Aircraft Marking which may be removed, defaced or destroyed.

#### SECTION 12. Inspection.

Lessor shall have the right, but not the duty, to inspect the Aircraft, any component thereof and/or the Records, at any reasonable time and from time to time, wherever located. Upon request of Lessor, Lessee shall confirm to Lessor the location of the Aircraft and shall, at any reasonable time and from time to time, make the Aircraft and/or the Records available to Lessor for inspection.

#### SECTION 13. Loss or Destruction.

(a) Event of Loss with Respect to the Aircraft. Upon the occurrence of any Event of Loss with respect to the Aircraft, Lessee shall notify Lessor of any such Event of Loss within five (5) days of the date thereof. On the next Basic Rent Date following the date of such notice (or, if such Event of Loss occurs after the Last Basic Rent Date, within thirty (30) days after such notice), Lessee shall pay to Lessor any Rent then due, plus the Casualty Value of the Aircraft determined as of the

Basic Rent Date immediately following the date of such Event of Loss, together with interest at the Late Payment Rate for the period (if any) from the Basic Rent Date following the date of such notice through the date of payment. Upon making such payment and all Rent due and owing, Lessee's obligation to pay further Basic Rent for the Aircraft subsequent to such payment shall cease, but Lessee's obligation to pay Supplemental Rent as well as any other amounts due under this Lease, if any, for the Aircraft shall remain unchanged. Except in the case of loss, permanent disappearance, destruction or Return to Manufacturer, Lessor shall be entitled to recover possession of the Aircraft, unless possession thereof is required to be delivered to a third party insurance carrier in order to settle an insurance claim. So long as Lessee has actually paid Lessor the applicable Casualty Value of the Aircraft and any and all other amounts required to be paid pursuant to the terms of this Lease concerning an Event of Loss, Lessee shall be entitled to any salvage value in excess of any such Casualty Value and any other amounts actually paid to Lessor. Lessor shall be under no duty to Lessee to pursue any claim against any Person in connection with an Event of Loss, but Lessee may at its own cost and expense and with Lessor's prior written consent, which consent shall not be unreasonably withheld or delayed, pursue the same on behalf of Lessor in such manner as may be acceptable to Lessor; provided, however, upon the occurrence and continuation of an Event of Default, any approval of Lessor regarding the same shall be at its sole discretion.

Following the payment of the Casualty Value of the Aircraft in accordance with the provisions of this subsection, Lessee, if possible, shall, as agent for Lessor, dispose of the Aircraft as soon as it is able to do so for the best price obtainable. Any such disposition shall be on an AS-IS, WHERE-IS BASIS WITHOUT ANY REPRESENTATION BY, OR RECOURSE OR WARRANTY TO, LESSOR, of any kind whatsoever. Lessee may, after actually paying Lessor all amounts required and/or specified in this subsection and in any other applicable terms of this Lease, retain all amounts in excess of the applicable Casualty Value of the Aircraft and any and all other amounts required to be paid pursuant to the terms of this Lease concerning an Event of Loss. In the event of a Return to Manufacturer, and so long as the Lessee has actually paid the Lessor the applicable Casualty Value of the Aircraft, together with any and all other amounts required to be paid pursuant to the terms of this Lease concerning an Event of Loss, Lessor agrees that Lessee shall receive and retain all amounts payable to Lessor by the Manufacturer in excess of any such Casualty Value of the Aircraft and any other amounts required to be paid by the Lessee concerning an Event of Loss. With respect to a Requisition of Use, and so long as the Lessee has actually paid the Lessor the applicable Casualty Value of the Aircraft, together with any and all other amounts required to be paid pursuant to the terms of this Lease concerning an Event of Loss, Lessor agrees that Lessee shall receive and retain all amounts

paid by any governmental authority in excess of any such Casualty Value of the Aircraft and any and all other amounts required to be paid by the Lessee concerning an Event of Loss.

(b) Event of Loss with Respect to an Engine. Upon an Event of Loss with respect to any Engine under circumstances in which there has not occurred an Event of Loss with respect to the Airframe upon which such Engine was installed, Lessee shall give Lessor prompt written notice thereof and shall within thirty (30) days after the occurrence of such Event of Loss, duly convey to Lessor title to a similar engine of the name, make and model number as that suffering the Event of Loss. Such engine shall be free and clear of all Liens, have a value, utility, and useful life at least equal to, and (ii) be in as good an operating condition as, the Engine with respect to which such Event of Loss has occurred, assuming such Engine was of the value and utility and in the condition and repair required by the terms hereof immediately prior to the occurrence of such Event of Loss. Lessee, at its own cost and expense, shall furnish Lessor with such documents to evidence such conveyance as Lessor shall request. Upon full compliance by Lessee with the terms of this paragraph, Lessor will transfer to Lessee, without recourse, representation or warranty of any kind whatsoever, all of Lessor's right, title and interest, if any, in and to the Engine with respect to which such Event of Loss has occurred. SUCH TRANSFER SHALL BE "AS-IS, WHERE-IS" AND LESSOR SHALL NOT BE DEEMED TO HAVE MADE, AND LESSOR HEREBY DISCLAIMS, ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE ENGINE SO TRANSFERRED TO LESSEE. Each such replacement engine shall, after such conveyance, be deemed an "Engine" as defined herein and shall be deemed part of the same Aircraft as was the Engine replaced thereby. No Event of Loss with respect to an Engine shall result in any reduction or delay in the payment of Basic Rent or relieve Lessee of any obligation under this Lease.

(c) Risk of Loss; no Release of Obligations. Except as provided in this Section 13, Lessee shall bear the risk of loss and shall not be released from its obligations hereunder in the event of any damage to the Aircraft or any part thereof or any Event of Loss relating thereto.

#### SECTION 14. Insurance.

(a) Aircraft Liability and Property Damage Insurance. Lessee shall maintain at its own cost and expense for the entire Term with insurers satisfactory to Lessor, (i) comprehensive aircraft and general public liability insurance against bodily injury and property damage claims including, without limitation, contractual liability, premises damage, public liability, personal property liability, personal injury liability, death and property damage liability, public and passenger legal liability coverage in an amount not less than \$50,000,000.00 for each

single occurrence and (ii) such other property damage insurance with respect to the Aircraft as is of the type and in the amounts usually carried by companies engaged in the same or a similar business as Lessee and which covers risks of the kind customarily insured against by such companies. Lessee shall also provide worker's compensation insurance with all-states coverage for the Aircraft's crew and maintenance personnel.

(b) Insurance Against Loss or Damage to the Aircraft. Lessee shall maintain at its own cost and expense for the entire Term with insurers satisfactory to Lessor, all-risk ground and flight aircraft hull insurance covering the Aircraft, including foreign object damage, fire and explosion coverage, cargo, environmental, ingestion and lightning and electrical damage and comparable insurance with respect to any Engines or Parts while removed from the Aircraft, and with respect to any engines or parts while temporarily installed on the Aircraft, provided that such insurance shall at all times be in an amount not less than the Casualty Value of the Aircraft (such amount determined at the Rent Commencement Date and at each anniversary thereof for the next succeeding year throughout the Term of this Lease). Lessee shall maintain in effect hijacking (air piracy) insurance with respect to the Aircraft in a face amount of not less than the Casualty Value of the Aircraft (determined as described herein), which shall be in full force and effect worldwide throughout any geographical areas at any time traversed by the Aircraft. Such insurance shall also include war risk, governmental confiscation and expropriation and related insurance.

(c) Lessor as Additional Insured; Notice. Any policies of insurance carried in accordance with this Section and any policies taken out in substitution or replacement or any such policies (i) shall be amended to name Lessor as the owner of the Aircraft and as additional insured as its interests may appear, (ii) with respect to insurance carried in accordance with paragraph (b) of this Section 14 covering the Aircraft, shall provide that any amount payable thereunder which exceeds \$250,000.00 in the aggregate shall be paid directly to Lessor as sole loss payee and not to Lessor and Lessee jointly (and, so long as no Event of Default has occurred, such amounts shall be disbursed by Lessor to Lessee or other appropriate Persons in payment of the costs actually incurred with respect to repairs made to the Aircraft so as to restore it to the operating condition required by Section 11 hereof, or shall be disbursed by Lessor as otherwise required by the Lease), and that, provided no Default or Event of Default has occurred and is continuing, any amount(s) of less than \$250,000.00 in the aggregate shall be paid to Lessee (and such amounts shall be applied by Lessee to pay the costs of such repairs), (iii) shall provide for thirty (30) days written notice by such insurer of cancellation, change, non-renewal or reduction and (iv) shall provide that in respect of the interests of Lessor in such policies, the insurance shall not be invalidated by any action or inaction of Lessee regardless of any breach or violation of any warranties, declarations or

conditions contained in such policies by or binding upon Lessee. Each shall be primary insurance, not subject to any co-insurance clause and shall be without right of contribution from any other insurance. Lessee shall arrange for appropriate certification as to the satisfaction of the requirements set forth above in this Section 14 to be delivered to Lessor not later than the Acceptance Date by each such insurer or underwriter therefor, which certification shall specifically acknowledge that the insurance is in conformity with this Section 14. Notwithstanding the foregoing, Lessee shall promptly provide Lessor with a copy of each policy of insurance required hereunder if it so requests.

(d) Reports, etc. Annually on the anniversary of the Acceptance Date, Lessee shall furnish to Lessor a report describing in reasonable detail the insurance then carried and maintained on the Aircraft and certifying that such insurance complies with the terms hereof and, if Lessor shall so request, a copy of each applicable policy. In the event Lessee shall fail to maintain insurance as herein provided, Lessor may, at its option, provide such insurance, and Lessee shall, upon demand, reimburse Lessor for the cost thereof, together with interest at the Late Payment Rate from the date of payment through the date of reimbursement.

(e) Agreed Value. Anything herein to the contrary notwithstanding, at all times while the Aircraft is subject to this Lease, the insurance required hereunder shall be for an amount on an "agreed value" basis not less than the higher of the Casualty Value or the Lessor's Cost.

(f) No Right To Self-Insure. Lessee shall not self-insure (by deductible, premium adjustment, or risk retention arrangement of any kind) the insurance required to be maintained hereunder, except to the extent of deductibles usually and customarily maintained by companies engaged in the same or similar business as Lessee and operating the same or similar aircraft, but in no event shall any deductible exceed the Permitted Deductible amount on Schedule No. 2-A to Lease Supplement No. 1. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to file, settle or adjust, and receive payment of claims under any such insurance policy and to endorse Lessee's name on any checks, drafts or other instruments on payment of such claims. Lessee further agrees to give Lessor prompt notice of any damage to or loss of, the Equipment, or any part thereof.

(g) Attorney-in-Fact. Lessee irrevocably appoints Lessor (and any assignee, mortgagee and/or lender of the Lessor) its attorney-in-fact to act in Lessee's name and on its behalf to make, execute, deliver and file any instruments or documents, settle, receive payment, make claim or proof of loss and to take any action as Lessor (and any such assignee, mortgagee and/or lender) deems necessary or appropriate to carry out the intent of this Section 14 or any agreements, documents or instruments

related thereto; provided, however, that the Lessor agrees that it shall not exercise its rights as an attorney-in-fact with regard to this Section 14 unless or until a Default or an Event of Default shall have occurred under this Lease and shall be continuing. To the extent appropriate or permissible under applicable law, such appointment is coupled with an interest, shall be irrevocable and shall terminate only upon payment in full of the obligations set forth in this Lease and/or any agreements, documents or instruments related thereto.

#### SECTION 15. Indemnification.

Lessee assumes liability for, and hereby agrees to indemnify, protect, save, defend and keep harmless Lessor, its agents, employees, officers, directors, shareholders, subsidiaries, affiliates, successors and assigns (collectively "Lessor"), on a net after-tax basis, from and against any and all liabilities, obligations, losses, damages, penalties, claims (including, without limitation, claims involving or alleging product liability or strict or absolute liability in tort), actions, suits, demands, costs, expenses and disbursements (including, without limitation, legal fees and expenses) of any kind and nature whatsoever ("Claims") which may be imposed on, incurred by or asserted against Lessor, whether or not Lessor shall also be indemnified as to any such Claim by any other Person, in any way relating to or arising out of this Lease or any documents contemplated hereby, or the performance or enforcement of any of the terms hereof or thereof, or in any way relating to or arising out of the assertion or enforcement of any manufacturer's, vendor's or dealer's warranties on the Aircraft or any part thereof, (including, without limitation, any warranty of any Manufacturer or Supplier), the manufacture, inspection, construction, purchase, acceptance, rejection, ownership, titling or re-titling, delivery, lease, sublease, possession, use, operation, maintenance, condition, registration or re-registration, sale, return, removal, repossession, storage or other disposition of the Aircraft or any part thereof or any accident in connection therewith (including, without limitation, latent and other defects, whether or not discoverable, and any Claim for patent, trademark or copyright infringement).

Notwithstanding the foregoing, Lessee shall not be required to indemnify Lessor for (a) any Claim caused by the gross negligence or willful misconduct of the Lessor or (b) any Claim in respect of the Aircraft arising from acts or events which occur after (x) possession of the Aircraft has been redelivered to Lessor (which return and delivery shall be in full and complete compliance with the terms of this Lease, including, without limitation, Section 8) and (y) any and all other obligations of any kind whatsoever of the Lessee under this Lease have been fully paid and/or performed, as the case may be, unless any such Claims were caused by Lessee (or any stockholder, director, officer, employee, successor, assignee, agent or

servant of the Lessee) or resulted or arose, directly or indirectly, from any acts, events or omissions of any kind whatsoever during the Term of this Lease.

WITHOUT LIMITING THE GENERALITY OF THE TERMS OF THIS LEASE, LESSEE AGREES THAT LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY CLAIM CAUSED DIRECTLY OR INDIRECTLY BY THE INADEQUACY OF THE AIRCRAFT OR ANY PART THEREOF FOR ANY PURPOSE OR ANY DEFICIENCY OR DEFECT THEREIN OR THE USE OF MAINTENANCE THEREOF OR ANY REPAIRS, SERVICING OR ADJUSTMENTS THERETO OR ANY DELAY IN PROVIDING OR FAILURE TO PROVIDE ANY OF THE SAME OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE THEREOF OR ANY LOSS OF BUSINESS, OR PROFITS ALL OF WHICH SHALL BE THE SOLE RISK AND RESPONSIBILITY OF LESSEE.

The liability of Lessee to make indemnification payments pursuant to this Section 15 shall, notwithstanding any expiration or other termination (whether voluntary, as the result of Default or Event of Default, or otherwise) of this Lease, continue to exist until such indemnity payments are irrevocably made by Lessee in full and received by Lessor. If any Claim is made against Lessee or Lessor, the party receiving notice of such Claim shall promptly notify the other, but the failure of the party receiving notice to so notify the other shall not relieve Lessee of any obligation hereunder.

SECTION 16. Assignment and Sublease.

EXCEPT AS OTHERWISE EXPRESSLY PERMITTED BY SECTION 6(r) OF THIS LEASE, LESSEE SHALL NOT SELL, TRANSFER, ASSIGN, CHARTER, SUBLEASE, CONVEY, PLEDGE, MORTGAGE OR OTHERWISE ENCUMBER ITS OR LESSOR'S INTEREST IN AND TO THIS LEASE OR THE AIRCRAFT, AND ANY SUCH SALE, TRANSFER, ASSIGNMENT, CHARTER, SUBLEASE, CONVEYANCE, PLEDGE, MORTGAGE OR ENCUMBRANCE, WHETHER BY OPERATION OF LAW OR OTHERWISE, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR SHALL BE NULL AND VOID. IN ADDITION, LESSEE SHALL NOT ENTER INTO ANY INTERCHANGE AGREEMENT AFFECTING THE AIRCRAFT OR RELINQUISH POSSESSION OF THE AIRFRAME OR ANY ENGINE OR INSTALL ANY ENGINE OR PART, OR PERMIT ANY ENGINE OR PART TO BE INSTALLED, ON ANY AIRFRAME OTHER THAN THE AIRFRAME LEASED HEREUNDER EXCEPT AS EXPRESSLY SET FORTH HEREIN. No acceptance, assignment, subletting, relinquishment or installation shall in any event relieve Lessee of primary, absolute and unconditional liability for its duties and obligations under this Lease except as otherwise expressly provided pursuant to the terms of this Lease.

Lessor, may at any time, without notice to Lessee, mortgage, grant a security interest in or otherwise transfer, sell or assign all or any part of its interest in this Lease or the Aircraft or any Rent or other sums due or to become due hereunder and Lessee shall perform all of its obligations under this Lease for the benefit of such assignee, lender, creditor, mortgagee,

transferee or Person except that the interest of any such assignee, lender, creditor, mortgagee, transferee or Person shall be subject to Lessee's rights of use and possession, quiet enjoyment, renewal rights, and purchase options, if any, hereunder, so long as no Default or Event of Default has occurred and is continuing hereunder. Lessee agrees that the rights hereunder of any such assignee, lender, creditor, mortgagee, transferee or Person shall not be subject to any defense, setoff, recoupment, abatement, reduction, claim or counterclaim (collectively the "Defenses") that Lessee has or may at any time have against Lessor for any reason whatsoever and Lessee hereby waives any right to assert at any time any of the foregoing Defenses against any such assignee, lender, creditor, mortgagee, transferee or Person. Lessee further agrees that any such assignee, lender, creditor, mortgagee, transferee or Person shall have all of Lessor's rights hereunder, but none of the Lessor's obligations or duties. Lessee acknowledges that any such assignment, transfer or sale will not materially change its duties or materially increase its burdens or risks hereunder and that any such assignment, transfer or sale shall be permitted even if the assignment, transfer or sale would be deemed to materially affect the Lessee's interests hereunder. Lessee further agrees, if so directed in writing by the Lessor or any assignee, lender, creditor, mortgagee, transferee or Person of the Lessor, to, among other things, pay any sums due or to become due hereunder directly to the assignee, lender, creditor, mortgagee, transferee or Person or any other party designated in writing by Lessor or any such assignee, lender, creditor, mortgagee, transferee or Person. Upon the request of Lessor or any such assignee, lender, creditor, mortgagee, transferee or Person of the Lessor, Lessee also agrees (i) to promptly execute and deliver to Lessor or to such assignee, lender, creditor, mortgagee, transferee or Person an acknowledgement of assignment in form and substance satisfactory to the requesting party which, among other things, reaffirms the basic terms and conditions of this Lease and (ii) to comply with the reasonable demands of any such assignee, lender, creditor, mortgagee, transferee or Person in order to perfect any such assignment or transfer. Notwithstanding the foregoing, in the event that the Lessee is required by the Lessor to pay any sums due or to become due hereunder directly to any assignee, lender, creditor, mortgagee, transferee or Person or any other party designated in writing by Lessor or the Lessee is required to change its insurance coverage in order to name any such assignee, lender, creditor, mortgagee, transferee or Person or any other party designated in writing by Lessor, the Lessee shall be provided written notice of any such requirement.

This Lease, including all agreements, covenants, representations and warranties, shall be binding upon and inure to the benefit of, and may be enforced by (a) Lessor and its successors, assigns (including, without limitation, all parties referred to in Section 16), agents and servants and (b) Lessee

and its successors and, to the extent expressly permitted by Lessor, assigns.

SECTION 17. Tax Indemnification.

(a) Assumed Tax Benefits. In entering into this Lease and the transactions contemplated hereby, Lessor has assumed that it would be entitled, for Federal, state and local income tax purposes, to the following tax benefits (collectively referred to as the "Assumed Tax Benefits"): (i) cost recovery deductions for Federal income tax purposes pursuant to Section 168 of the Code (and depreciation or cost recovery deductions for Rhode Island state income tax purposes) with respect to the Aircraft, commencing in Lessor's taxable year which includes the Acceptance Date, using an initial basis at least equal to the Lessor's Cost of the Aircraft, the two hundred percent (200%) declining balance method of depreciation (switching to the straight-line method when required by Section 168(b)(1) of the Code), the half-year convention, a Recovery Period for the Aircraft as set forth on Schedule No. 2 to Lease Supplement No. 1 and a salvage value of zero (the "Recovery Deductions"), and (ii) deductions for interest payable with respect to any indebtedness incurred by Lessor in connection with any financing by Lessor of any portion of the Lessor's Cost of the Aircraft (the "Interest Deduction"). Lessor has also assumed that its income would be taxed for Federal, state and local corporate income and franchise tax purposes at an effective combined tax rate of 40.20% (the "Assumed Tax Rate").

(b) Lessee's Tax Representations and Warranties. Lessee represents and warrants to Lessor that (i) upon delivery and acceptance of the Aircraft under this Lease, the applicable recovery period for the Aircraft under Section 168 of the Code shall be equal to the Recovery Period set forth on Schedule No. 2 to Lease Supplement No. 1 and Lessor shall be entitled to all Recovery Deductions and all other applicable assumed tax benefits with respect to the Aircraft; (ii) the Aircraft will not constitute property used predominantly outside the United States and, except as expressly permitted herein, be physically located within the continental United States at all times during the term of this Lease; (iii) on the Acceptance Date of this Lease, the Aircraft will require no improvements, modifications or additions (other than ancillary items of equipment which are readily removable without causing material damage to the Aircraft and which are of a kind customarily selected and furnished by purchasers or Lessees of similar aircraft) in order to be rendered complete for its intended use by Lessee; (iv) neither Lessee nor any affiliate of Lessee nor any agent or employee of any of the foregoing nor any other Person (other than the Lessor) will at any time take any action or fail to take any action (whether or not such act or failure to act is otherwise permitted by this Lease) if such action or failure to act would result in a Tax Loss (as defined below); (v) Lessee and each member of any

group of corporations with which Lessee files consolidated, combined or unitary income or franchise tax returns will file such returns, execute such documents and take such other action as this Lease may require or Lessor may reasonably request to facilitate the realization by Lessor of the assumptions stated in this Section 17; (vi) the Aircraft is not (and will not become) during the Term property described in Section 168(g)(1) of the Code (i.e., property subject to the alternative depreciation system); (vii) Lessor's basis in the Aircraft initially will equal the Lessor's Cost plus allocable transaction costs; and (viii) Lessee will deduct all rental payments under the Lease when and as paid or accrued under the terms of the Lease, without application of Section 467(b)(2) through (3) of the Code.

(c) Indemnity. (A) if by reason of (i) any act or failure to act of Lessee (regardless of whether any such act or failure to act is permitted or required by the terms of this Lease or otherwise), (ii) the breach of or inaccuracy in law or in fact of any of Lessee's representations and warranties set forth in paragraph (b) of this Section 17 or the breach of any of Lessee's representations and warranties set forth in this Lease, any certificate or document delivered by Lessee in connection with the delivery and acceptance of the Aircraft or (iii) the sale or other disposition of the Aircraft or the interest of Lessor therein after the occurrence of an Event of Default, Lessor shall lose or shall not have the right to claim, or shall suffer a disallowance or recapture of, or delay in claiming, all or any portion of the Recovery Deductions or (if Lessor finances any portion of the Lessor's Cost) the Interest Deduction, with respect to the Aircraft, (B) if, for Federal, foreign, state or local income tax purposes, any item of income, loss or deduction with respect to the Aircraft is treated as derived from, or allocable to, sources outside the United States (whether or not any foreign income taxes imposed as a result thereof may be credited against Federal, state or local income taxes of Lessor), (C) if there shall be included in Lessor's gross income for Federal, state or local income tax purposes any amount on account of any addition, modification or improvement to or in respect of the Aircraft made or paid for by Lessee, or (D) if there shall be included in Lessor's gross income for Federal, state or local income tax purposes any amount in respect of Rent before such Rent has accrued under the terms of this Lease, Lessor shall lose, shall not have the right to claim or there shall be disallowed or recaptured with respect to the Lessor, all or a portion of the Assumed Tax Benefits with respect to the Aircraft (any such loss, failure to have or loss of the right to claim, disallowance, recapture, delay, treatment, inclusion or economic detriment referred to in any of the foregoing clauses (A) through (D) of this paragraph (c) being hereinafter called a "Tax Loss"), then a Tax Loss shall be deemed to have occurred, and the Basic Rent for the Aircraft shall, on the Basic Rent Date next following written notice by Lessor to Lessee that a Tax Loss has occurred and on each succeeding Basic Rent Date, be increased by such amount which, after deduction of all taxes required to be

paid by Lessor as a result of Lessor's receipt of such increased amount of Basic Rent under the laws of the United States, any state or any political subdivision thereof or any foreign taxing authority, will maintain Lessor's after-tax economic yield and overall net after-tax cash flows in respect of the Aircraft at a level which is not less than the same level that would have been available if such Tax Loss had not occurred. In addition, Lessee shall pay to Lessor an amount which, after the deduction of any additional taxes required to be paid by lessor in respect of Lessor's receipt of such amount, shall be equal to the amount of any interest, penalty or additions to tax which may be imposed in connection with such Tax Loss. In the event that the Term with respect to the Aircraft is terminated prior to the time Lessee is obligated to make the increased Basic Rent payments to Lessor with respect to the Aircraft as set forth in the secondary preceding sentence, or in the event Lessor shall, by written notice to Lessee, elect to have such indemnity paid to Lessor in a lump sum payment, then, in either event, Lessee shall pay to Lessor, within thirty (30) days from the date of such written notice by lessor to Lessee, in lieu of the increased Basic Rent payment or payments set forth in the preceding sentence, such lump sum as shall (after deduction of all taxes required to be paid by Lessor as a result of Lessor's receipt of such payment under the laws of the United States, any state or any political subdivision thereof or any foregoing taxing authority) be necessary to maintain Lessor's after-tax economic yield and overall net after-tax cash flows in respect of the Aircraft at a level which is not less than the same level that would have been available if such Tax Loss had not occurred, and Lessee shall also pay to Lessor an amount which, after the deduction of any additional taxes required to be paid by Lessor in respect of Lessor's receipt of such amount, shall be equal to the amount of any interest, penalty or additions to tax which may be imposed in connection with any such Tax Loss. In the event any indemnity payments shall be paid to Lessor under this Section 17 with respect to the Aircraft, the Casualty Value and/or Early Purchase Option Amount, if applicable, of the Aircraft shall be adjusted appropriately. The indemnification obligations of Lessee under this section 17 shall survive the expiration or termination of this Lease and the Term.

(d) Consolidated Tax Returns; Lessor's Assigns. For purposes of this Section 17, the term "Lessor" will include the corporation constituting Lessor, its successors in interests, each assignee and each of their respective successors in interest and assigns and any Consolidated Group (hereinafter defined) of which Lessor or any such assignee or any of their respective successors in interests or assigns is, or any become a member, and each member of such Consolidated Group. As used in this Paragraph (d) the term "Consolidated Group" means an affiliated group (within the meaning of Section 1504 of the Code) that files consolidated returns for Federal income tax purposes and any group filing combined, unitary or consolidated returns pursuant to the rules of any state taxing authority.

(e) Exclusions. Lessee shall not be required to indemnify Lessor for any Tax Loss which occurs solely as a result of any of the following events:

(i) a failure by Lessor to have either sufficient income or the class of income to utilize fully the Recovery Deductions; or

(ii) a failure by Lessor to timely claim the Recovery Deductions.

SECTION 18. Events of Default.

The term "Event of Default", wherever used herein, shall mean any of the following events or circumstances (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary, or come about or be effected by operation of law, or be pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation or any administrative or governmental body):

(a) Lessee shall fail to make any payment of Rent, Casualty Value, Early Purchase Option Amount, if applicable, and/or any amount due pursuant Section 23 hereof within ten (10) days after any or all of the same shall become due and payable, or, upon demand, any other amount required to be paid herein or under any other agreement with Lessor; or

(b) Lessee shall fail to keep in full force and effect any of the insurance required under this Lease, or shall operate the Aircraft at a time when, or at a place in which, such insurance shall not be in effect; or

(c) Lessee shall fail to perform or observe any covenant, condition or agreement, (other than those specifically referred to in this Section 18) required to be performed or observed by it under this Lease or any agreement, document or certificate delivered by Lessee in connection herewith, and such failure shall continue for thirty (30) days after written notice thereof from Lessor to Lessee; or

(d) any material representation or warranty made by Lessee herein or in any certificate, agreement, statement or document hereto or hereafter furnished to Lessor in connection herewith, including without limitation, any financial information disclosed to Lessor, shall prove to be or to have been false or incorrect in any material respect; or

(e) Lessee becomes insolvent or admits insolvency or its inability to pay its debts as they mature, or Lessee makes an assignment for the benefit of creditors or applies for or

consents to the appointment of a custodian, trustee or receiver for Lessee or for any of its properties, or Lessee commences a voluntary case under any applicable bankruptcy, insolvency, receivership, liquidation, reorganization or other similar law or proceeding now or hereafter in effect; or

(f) Lessee shall default in any payment or other obligation to any Person, if the aggregate amount of such respective payment or obligation, or if the aggregate amount of the underlying agreement or obligation regarding any such default, is in excess of \$1,000,000.00 and such default results in the acceleration of any such indebtedness or obligation to any such Person; or

(g) any failure of the Lessee or any other Person to fully comply with all of the terms and conditions of Section 6(r) of this Lease; or

(h) Lessee shall cease to own and control directly, or indirectly through not more than two (2) Intervening Subsidiaries of Lessee, at least twenty-five percent (25%) of the capital stock of Oneok, Inc.; or

(i) Lessee shall cease to own and control directly, or indirectly through not more than two (2) Intervening Subsidiaries of Lessee, at least fifty-one percent (51%) of the voting capital stock and voting control of Protection One, Inc.; or

(j) if Lessee is a publicly held corporation, there shall be a change in the ownership of Lessee's stock such that Lessee is no longer subject to the reporting requirements of the Securities Exchange Act of 1934 or no longer has a class of equity securities registered under Section 12 of the Securities Act of 1933; or

(k) a proceeding shall have been instituted in a court seeking a decree or order (i) for relief in respect of Lessee in an involuntary case under any applicable bankruptcy, reorganization, insolvency, receivership, liquidation or other similar law or proceeding now or hereafter in effect, or (ii) for the appointment of a custodian, receiver, trustee or similar official of Lessee or for any of the Lessee's properties, or (iii) for the winding up or liquidation of the affairs of Lessee, and either (x) any such proceeding shall remain undismissed or unstayed and in effect for a period of sixty (60) consecutive days thereafter, or (y) such court shall enter a decree or order granting the relief sought in such proceeding or Lessee shall consent to such entry; or

(l) [intentionally left blank];

(m) if Lessee shall fail to fully and timely comply with any terms or conditions of Section 6(s) or Section 6(t) or Section 6(u) or Section 6(v) of this Lease;

(n) Lessee shall fail to return the Aircraft to Lessor at the end of the Term in accordance and in compliance with Section 8 of this Lease, the Aircraft shall be abused, substantially damaged or destroyed or Lessor shall reasonably deem the Aircraft unsafe or at risk; or

(o) Lessee shall or shall attempt to remove, sell, transfer, charter, convey, pledge, mortgage, encumber, part with possession of, assign or sublet the Aircraft or any part thereof, use the Aircraft for an illegal purpose or permit the same to occur or Lessee shall create, incur, assume or suffer to exist any Lien (other than Permitted Liens) with respect to the Aircraft, this Lease or Lessor's interests thereunder; or

(p) any event or condition set forth in subsections (d), (e), (f) or (k) of this Section 18 shall occur with respect to any significant subsidiary (as such term is defined in the regulations under the Securities Exchange Act of 1934) of Lessee; or

(q) any failure by Lessee to comply with any term or condition of the Security Deposit Amendment or Section 27 of this Lease, or any failure by the Lessee to maintain the full amount of the Security Deposit with the Lessor; or

(r) if any Westar 1996 Lease Event of Default occurs under the Westar 1996 Lease.

Lessee shall promptly notify Lessor of the occurrence of any Default or Event of Default.

#### SECTION 19. Remedies.

(a) Upon the occurrence of any Event of Default and so long as the same shall be continuing, Lessor may, at its option, declare this Lease to be in default (provided that no such declaration shall be a condition to any suit against Lessee for specific performance of a defaulted covenant or for damages in respect of such default upon such occurrence or at any time thereafter), and at any time thereafter, whether or not such Event of Default shall be continuing, Lessor may exercise any one or more of the following remedies, as Lessor in its sole discretion shall lawfully elect:

(i) Proceed by appropriate court action, either at law or in equity, to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for breach thereof.

(ii) By notice terminate this Lease, whereupon all rights of Lessee to the use of the Aircraft or any part thereof shall absolutely cease and terminate but Lessee shall remain liable as hereinafter provided and thereupon Lessee, if so requested by Lessor, shall (a) at its expense promptly return the Aircraft to the possession of Lessor at such place as Lessor shall designate and in the condition required upon the return thereof pursuant to and in accordance with the terms of this Lease, (b) Lessor, at its option, may enter upon the premises where the Aircraft is located and take immediate possession of and remove the same, together with any Engines and Parts by self-help, summary proceedings or otherwise without any liability of any kind whatsoever on the part of Lessor for or by reason of such entry or taking of possession and Lessee hereby waives any cause of action it may have arising from, or in connection with, the foregoing except for any claims of Lessee against Lessor arising solely from Lessor's gross negligence or willful misconduct with regard to Lessor's entry upon the premises where the Aircraft is located or the Lessor's taking of possession or removal of the Aircraft from said premises, or (c) Lessee will provide storage as set forth in this Lease. In addition, upon the written request of Lessor, Lessee, at its expense, will replace any engine installed on the Airframe with an Engine. Lessee shall, without further demand, forthwith pay to Lessor an amount equal to any unpaid Rent due and payable for all periods up to and including the Basic Rent Date following the date on which Lessor has declared this Lease to be in default, plus, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the Casualty Value of the Aircraft, computed as of the Basic Rent Date immediately following the date on which Lessor has declared this Lease to be in default (plus all costs, charges and expenses including, legal fees and disbursements incurred by Lessor by reason of the occurrence of any Event of Default or the exercise of any of Lessor's remedies with respect thereto or otherwise). Following the return of the Aircraft to Lessor pursuant to this subparagraph (ii), Lessor shall proceed at its option to sell or otherwise dispose of the Aircraft by public or private sale, with or without notice, and without having the Aircraft present at the place of sale and in such manner as it shall deem appropriate, provided that Lessor, if it so elects, may purchase the Aircraft at such sale for a price not less than the highest bona fide bid given by a Person unrelated to Lessee. Lessee waives all its rights under laws governing such sale to the extent permitted by law. Lessor may apply any deposit or other cash collateral or sale or remarketing proceeds of the Aircraft at any time to reduce any amounts due to Lessor. Notwithstanding the foregoing, Lessor may at its option and in its sole discretion keep idle, lease, or use or operate all or part of the Aircraft without any liability whatsoever and may use Lessee's premises for a period of sixty (60) days after Lessor has taken possession or control of the Aircraft following any Event of Default under this Lease for storage pending lease or sale or for holding a sale without liability for rent or costs or any other matter whatsoever. The net proceeds of such sale or

lease as provided above shall be applied by Lessor (x) first, to pay all costs, charges and expenses, including the cost of discharging all Liens, on the Aircraft and all legal fees and disbursements incurred by Lessor as a result of the Event of Default and/or the exercise of its remedies with respect thereto, (y) second, to pay to Lessor an amount equal to any unpaid Rent due and payable and the Casualty Value, to the extent not previously paid and (z) third, to reimburse Lessee for the Casualty Value to the extent paid by Lessee as liquidated damages. Any surplus remaining thereafter shall be retained by Lessor. To the extent that all Rent then due and payable with respect to the Aircraft and the Casualty Value have not been previously paid, Lessee shall forthwith pay upon demand to Lessor the sum of (A) the amount by which (1) the sum of (aa) all Rent then due and payable with respect to the Aircraft, (bb) the Casualty Value or portion thereof not theretofore paid and (cc) the amount payable under clause (x) of the preceding sentence exceeds (2) the net proceeds of the sale or lease of the Aircraft actually received by the Lessor and (B) interest at the Late Payment Rate on the full amount of said Casualty Value and Rent then due and unpaid, computed from the date such sums are due until the same are paid by Lessee. For purposes of computing liquidated damages under this subparagraph (ii) only, the proceeds of any releasing of the Aircraft shall be determined by discounting to present value, at the rate of twelve and one-half percent (12.5%) per annum, the periodic rentals which are payable to Lessor pursuant to such re-lease, up to and including the Expiration Date.

(b) Lessee shall be liable for all costs, charges and expenses, including legal fees and disbursements, incurred by Lessor by reason of the occurrence of any Event of Default, the exercise of any of Lessor's rights or remedies with respect thereto or otherwise.

(c) Lessee hereby waives, to the maximum extent now or hereafter permitted by applicable law, for itself and for its successors or assigns any and all rights Lessee or Lessee's successors or assigns may have following an Event of Default under any bankruptcy, insolvency or similar laws, rules or regulations with respect to the continued possession or use of the Aircraft or relief from the payment of Rent therefor or otherwise with respect to this Lease. Rejection of this Lease by any bankruptcy trustee or debtor-in-possession shall entitle Lessor to the immediate return of the Aircraft and to liquidated damages calculated in the manner provided for in Section 19(a)(ii) above with respect to an Event of Default.

(d) No right or remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other right or remedy referred to above or otherwise available to Lessor at law or in equity, including, without limitation, such rights and/or remedies as are provided for in the UCC. No express or implied waiver by Lessor of any Default

or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Default or Event of Default. The failure or delay of Lessor in exercising any rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or reoccurrence of any such contingencies or similar contingencies, and any single or partial exercise of any particular right by Lessor shall not exhaust the same or constitute a waiver of any other right provided for or otherwise referred to herein.

(e) To the extent permitted by applicable law, Lessee hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use the Aircraft in mitigation of Lessor's damages as set forth in this Section 19 or which may otherwise limit or modify any of Lessor's rights or remedies under this Section 19. To the extent permitted by applicable law, Lessee waives any and all rights and remedies conferred upon a lessee by Section 2A-508 to 2A-522 (inclusive) of the UCC, including, without limitation, any rights of Lessee (a) to cancel or repudiate this Lease or any supplement or any document relating thereto, (b) to reject or evoke acceptance of the Aircraft or any component thereof and (c) to recover from Lessor any general or consequential damages, for any reason whatsoever.

**SECTION 20. Performance of Obligations of Lessee by Lessor.**

If any Default or Event of Default occurs or if Lessee fails to perform or comply with any of its agreements contained herein, Lessor shall have the right, but shall not be obligated, to effect such performance or compliance and the amount of any out-of-pocket expenses and other reasonable expenses of Lessor incurred in connection with the performance of or compliance with such agreements, as the case may be, together with interest thereon at the Late Payment Rate, shall be payable by Lessee promptly upon demand and any such action by Lessor shall not be deemed a cure or waiver of any Default or Event of Default hereunder.

**SECTION 21. Intent.**

Title to the Aircraft shall at all times remain in Lessor and at no time during the Term shall title become vested in Lessee. Lessee shall acquire no right, title or interest in or to the Aircraft except the right to use the same pursuant to the terms of this Lease. Notwithstanding anything to contrary contained herein or otherwise, should a court of competent jurisdiction determine that this agreement is one intended as security, then solely in that event and for the expressly limited purposes thereof, Lessee shall be deemed to have hereby granted and conveyed, and for such express purposes Lessee hereby grants and conveys to, Lessor a security interest and lien in this

Lease, the Aircraft, any subleases, management agreements, interchange agreements, charter agreements and any other agreements of any kind whatsoever relating to the Aircraft or any part thereof and any and all proceeds (including insurance proceeds) of any or all of the foregoing, and all present and future books and records relating to any of the foregoing (including, without limitation, all tapes, cards, computer programs, computer runs and computer data in the possession or control of the Lessee, any computer service bureau or other third party), to secure the prompt and full payment and performance as and when due of any and all obligations and indebtedness of Lessee to Lessor, now existing or hereafter created of any kind whatsoever. The security interest granted herein shall survive the termination or expiration of this Lease by any Event of Default or Default or otherwise and shall remain in full force and effect until such time as Lessee has no further obligations of any kind whatsoever under this Lease.

SECTION 22. Notices.

All communications and notices provided for herein shall be in writing and shall become effective upon hand delivery or upon delivery to an overnight delivery service or two (2) Business Days after being deposited in the United States mail with proper postage for first-class mail prepaid, sent by registered or certified mail, return receipt requested, and addressed to Lessor or Lessee at their respective addresses set forth under the signatures hereto or such other address as either party may hereafter designate by written notice to the other.

SECTION 23. Purchase, Renewal and Early Purchase Options.

(a) End of Term Purchase Option. So long as (i) no Default or Event of Default shall have occurred and be continuing under this Lease and (ii) this Lease shall not have been earlier terminated, Lessee shall be entitled, at its option, upon written notice to Lessor at least one hundred eighty (180) days prior to the expiration of the Basic Term, to purchase the Aircraft at the expiration of the Basic Term for an amount, payable in immediately available funds, equal to the fair market sales value of the Aircraft as of the end of the Basic Term determined in accordance with Section 23(c) hereof plus any applicable sales, excise or other taxes imposed as a result of such sale (other than gross or net income taxes attributable to such sale) and together with all Rent then due and owing. Upon Lessor's receipt of any and all amounts due Lessor pursuant to the terms and conditions of this Section 23(a) and any other applicable terms of this Lease, Lessor shall deliver to Lessee an "AS-IS, WHERE-IS" WITHOUT RECOURSE OR WARRANTY bill of sale for the Aircraft and any and all warranties relating to the Aircraft (to the extent that any such warranties are in effect or are assignable by Lessor). Without limiting the generality of the foregoing, Lessor's sale of the Aircraft shall be on an "AS-IS WHERE-IS"

BASIS, WITHOUT ANY REPRESENTATION BY, OR RECOURSE OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER, TO LESSOR.

(b) Renewal Option. So long as (i) no Default or Event of Default shall have occurred and be continuing under this Lease, (ii) Lessee shall not have exercised its purchase option pursuant to Section 23 (a) hereof and (iii) this Lease shall not have been earlier terminated, Lessee shall be entitled, at its option, to extend the Term of this Lease with respect to the Aircraft at the expiration of the Basic Term for an additional period. The length of such additional period shall be as set forth on Schedule 2 to Lease Supplement No. 1 (such additional period being hereinafter referred to as the "Renewal Term"). A Renewal Term shall commence at the expiration of the Basic Term. Lessee's option to renew this Lease for a Renewal Term shall be exercisable by giving written notice to Lessor at least one hundred eighty (180) days prior to the expiration of the Basic Term. All of the provisions of this Lease shall be applicable during the Renewal Term, except that, during the Renewal Term, the Basic Rent shall be an amount equal to the Aircraft's fair rental value, which shall be determined in accordance with Section 23 (c) hereof. Such Basic Rent shall be payable monthly in advance on the first day of each month during the Renewal Term, which dates shall be deemed "Basic Rent Dates" for purposes of this Lease.

(c) Determination of Fair Market Sales and Rental Values. If Lessee has elected to exercise its purchase or renewal options, as provided in Section 23(a) or (b) hereof, then as soon as practicable following Lessor's receipt of the written notice from Lessee of Lessee's intent to exercise such option, Lessor and Lessee shall consult for the purpose of determining the fair market sales value or fair market rental value, as applicable, (as defined below) of the Aircraft as of the end of the Basic Term, and any values agreed upon in writing shall constitute such fair market sales value or fair market rental value, as the case may be, of the Aircraft for the purposes of this Section 23. If Lessor and Lessee fail to agree upon such value prior to one hundred thirty-five (135) days before the expiration of the Basic Term, Lessor shall appoint an independent appraiser (reasonably acceptable to Lessee) to determine fair market sales value or fair market rental value, as the case may be, and that determination shall be final, binding and conclusive. Lessee agrees to pay the costs and expenses of any such appraisal. For the purposes of this Section 23, "fair market sales value" and "fair market rental value" shall be determined on the basis of, and shall equal in value, the amount which would be obtained in an arm's length transaction between an informed and willing buyer-user or lessee, as the case may be, (who is neither a Lessee in possession nor a used equipment dealer) and an informed and willing seller or lessor, as the case may be, under no compulsion to sell or lease, as the case may be, and in such determination costs of removal of the Aircraft from

its then location shall not be a deduction from such fair market sales value or fair market rental value, as the case may be, and it shall be assumed (whether or not the same be true) that the Aircraft has been maintained in accordance with the provisions of this Lease and would have been returned to Lessor in compliance with the requirements of Section 8 hereof or any other applicable Section.

(d) Time to Exercise Option. Lessee shall be deemed to have waived the purchase option under Section 23(a) and the renewal option under Section 23 (b) unless Lessee provides Lessor with written notice of its irrevocable election to exercise the applicable option within fifteen (15) days after the applicable fair market sales value and/or fair market rental value, as applicable, is determined (by agreement or appraisal).

(e) Early Purchase Option. So long as no Default or Event of Default shall have occurred and be continuing hereunder, Lessee shall be entitled, at its option, on the ninety-sixth (96th) Basic Rent Date (any such date for purposes of this Section; called the "Early Purchase Date") upon written notice to Lessor of at least one hundred twenty (120) but no more than one hundred eighty (180) days prior to the proposed Early Purchase Date, to purchase the Aircraft. Such early purchase by Lessee shall be effective upon the payment to the Lessor on the Early Purchase Date of an amount equal to the applicable Early Purchase Option Amount.

On the Early Purchase Date, in addition to the Early Purchase Option Amount, Lessee shall also pay to Lessor, in immediately available funds, (i) the Basic Rent due for the Aircraft on the Early Purchase Date, plus (ii) all accrued and unpaid Rent then due and owing for the Aircraft, plus (iii) any applicable sales, excise or other taxes imposed as a result of the sale of the Aircraft (other than gross or net income taxes attributable to such sale).

On the Early Purchase Date (but in no event prior to Lessor's receipt of the amounts specified in this Section), and provided that Lessor has received any and all amounts due Lessor pursuant to the terms and conditions of this Section 23(e) and any other applicable terms of this Lease, Lessor shall deliver to Lessee an "AS-IS, WHERE-IS" WITHOUT RECOURSE OR WARRANTY bill of sale for the Aircraft and any and all warranties relating to the Aircraft (to the extent that any such warranties are in effect or are assignable by Lessor). Without limiting the generality of the foregoing, Lessor shall sell the Aircraft to Lessee on an "AS-IS, WHERE-IS" BASIS, WITHOUT ANY REPRESENTATION BY, OR RECOURSE OR WARRANTY, EITHER EXPRESS OR IMPLIED, TO, LESSOR.

Unless and until the foregoing payments and performance have been made and/or observed in full by Lessee, Lessee's obligations under this Lease, including, without limitation, the obligation

to pay Basic Rent for the Aircraft, shall continue in full force and effect.

Notwithstanding anything to the contrary contained herein or otherwise, Lessee shall not be entitled to purchase the Aircraft pursuant to this Section if an Event of Default or Default shall have occurred and be continuing, and/or this Lease shall have been earlier terminated, on or prior to the proposed Early Purchase Date.

SECTION 24. [Intentionally left blank.]

SECTION 25. [Intentionally left blank.]

SECTION 26. Transaction Expenses.

Lessee shall pay all actual and reasonable fees, costs and expenses incurred by Lessor in connection with this Lease, whether or not the transactions contemplated hereby are consummated, including, without limitation, appraisal fees, Lessor's counsel fees and expenses and FAA Counsel fees and expenses, and FAA and UCC title and lien searches, reports, filing and recording fees, charges and taxes; provided, however, that any external counsel or FAA counsel fees shall not, in the aggregate, exceed Thirty Five Thousand and 00/100 Dollars (\$35,000.00). Lessee also agrees to pay, subsequent to the execution date of this Lease (without any fee cap or limitation of any kind whatsoever), all fees and expenses of Lessor's counsel, FAA Counsel and all other third parties who are engaged by Lessor to enforce Lessor's rights and/or remedies hereunder, to update any FAA or UCC title and/or lien reports and/or to review, file and record any and all documents and instruments as required by Lessor or the FAA during and after the Term of this Lease.

SECTION 27. Security Deposit Amendment.

In consideration of Lessor entering into this Lease and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Lessee shall furnish to and for the benefit of Lessor and in order to secure any and all obligations and liabilities of any kind whatsoever of the Lessee to the Lessor in connection with, arising under, or relating to, this Lease and/or the Westar 1996 Lease, at Lessee's sole cost and expense, a security deposit in the amount of Two Million and 00/100 Dollars (\$2,000,000.00) ("Security Deposit"), which Security Deposit shall be held by the Lessor throughout the Term (and any Renewal Term), and until any and all obligations of any kind whatsoever in connection with, arising under, or relating to, this Lease and the Westar 1996 Lease have been fully paid and performed by the Lessee, pursuant to the terms of the Security Deposit Amendment.

It shall constitute an additional Event of Default under this Lease and an additional Westar 1996 Lease Event of Default if Lessee breaches or defaults in the performance of any of the terms and provisions of this Section 27 or the Security Deposit Amendment. Upon the occurrence of an Event of Default or a Westar 1996 Lease Event of Default, Lessor shall, in addition to all of its rights and remedies under this Lease, have the right to immediately withdraw the Security Deposit and apply any proceeds thereof as provided in this Section 27 and/or in the Security Deposit Amendment. Notwithstanding anything to the contrary contained in this Lease or otherwise, the Security Deposit shall secure all of the obligations and liabilities of any kind whatsoever of the Lessee to the Lessor in connection with, arising under, or relating to, this Lease and the Westar 1996 Lease, and upon any withdraw by the Lessor of the Security Deposit, the Lessor shall be entitled to apply any proceeds of the Security Deposit to any amounts or payments of any kind whatsoever due, owing, outstanding or payable in connection with, arising under, or relating to, this Lease and/or the Westar 1996 Lease, in any manner and in any priority as the Lessor determines in its sole discretion.

SECTION 28. Miscellaneous.

(a) All agreements, indemnities, representations, covenants and warranties contained in this Lease or any agreement, document or certificate delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery of this Lease and the expiration or other termination of this Lease for any reason whatsoever.

(b) Any provision of this Lease which may be determined to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee hereby waives any provision hereof prohibited or unenforceable in any respect.

(c) This Lease, and each related instrument, document, agreement and certificate, collectively constitute, and are intended to collectively constitute, the complete and exclusive statement of the terms of the agreement between Lessor and Lessee with respect to the purchase and leasing of the Aircraft and cancel and supersede any and all prior or contemporaneous oral or written understandings, memoranda, negotiations, communications and agreements with respect thereto including, without limitation, any proposal letter, commitment letter and/or term sheet delivered to the Lessee by Lessor.

(d) This Lease may be executed in any number of counterparts and by the different parties hereto on separate counterparts. Each counterpart of the Lease bears the following legend on the face and execution pages thereof: "This is Counterpart No. \_\_\_ of a total of \_\_\_ counterparts. Only Counterpart No. 1 shall be considered chattel paper for purposes of the Uniform Commercial Code and a security interest may be perfected only by possession of Counterpart No. 1." To the extent, if any, that this Lease constitutes chattel paper (as such term is defined in the UCC as in effect in any applicable jurisdiction) no security interest in this Lease may be created through the transfer or possession of any counterpart other than the counterpart marked "Counterpart No. 1".

(e) The division of this Lease into sections, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Lease.

(f) The actual dates of execution hereof by the parties hereto are respectively the dates set forth under the signatures hereto, however this Lease shall be effective as of the date first above written.

(g) Lessee will (i) promptly and duly execute and deliver to Lessor (and any assignee, mortgagee and/or lender of the Lessor), upon the request of the Lessor (or any such assignee, mortgagee and/or lender), an amendment to this Lease in order to incorporate the Engines' serial numbers, the revised Basic Rent amounts, the revised Casualty Values, the revised Early Purchase Option Amount and any other applicable dates, amounts or information requested or required by the Lessor, (ii) promptly and duly execute and deliver to Lessor and any assignee, mortgagee and/or lender of the Lessor, such other documents and assurances, including, without limitation, such other amendments to this Lease as may be required by Lessor (and by any assignee, mortgagee and/or lender of the Lessor), and UCC financing statements and continuation statements, and (iii) promptly will take such further action as Lessor or any such assignee, mortgagee and/or lender may from time to time request in order to carry out more effectively the intent and purposes of this Lease and to establish and protect the rights and remedies created or intended to be created in favor of Lessor and of any such assignee, mortgagee and/or lender. Lessee irrevocably appoints Lessor (and any assignee, mortgagee and/or lender of the Lessor) its attorney-in-fact to act in Lessee's name and on its behalf to make, execute, deliver and file any instruments or documents and to take any action as Lessor (and any such assignee, mortgagee and/or lender) deems necessary or appropriate to carry out the intent of this Lease or any agreements, documents or instruments related thereto. To the extent appropriate or permissible under applicable law, such appointment is coupled with an interest, shall be irrevocable and shall terminate only upon payment in

full of the obligations set forth in this Lease and/or any agreements, documents or instruments related thereto.

(h) Time is of the essence in the payment and performance of all of Lessee's obligations under the Lease. This Lease shall be deemed to have been executed in Rhode Island by virtue of the Lessor having countersigned and accepted the Lease in Rhode Island and shall be deemed to be performed in Rhode Island by virtue of the payment of Rent to be made to Lessor in Rhode Island, and this Lease shall be delivered for closing purposes in Lessor's office at 50 Kennedy Plaza, Providence, Rhode Island. This Lease shall in all respects be governed by, and construed in accordance with, the laws of the State of Rhode Island, without giving effect to principles of conflicts of law or choice of law, including all matters of construction, validity and performance. Lessee hereby irrevocably consents and agrees that any legal action, suit or proceeding arising out of or in any way in connection with this Agreement may be instituted or brought in the courts of the State of Rhode Island or the United States District Court for the District of Rhode Island, as Lessor may elect, and by execution and delivery of this Lease, Lessee hereby irrevocably accepts and submits to, for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of any such court, and to all proceedings in such courts. To the extent permitted by applicable law, this Lease shall be deemed a "finance lease" under Section 2A-103(g) of the UCC. LESSEE ACKNOWLEDGES AND AGREES THAT THIS LEASE IS A COMMERCIAL TRANSACTION. LESSEE ALSO HEREBY KNOWINGLY AND FREELY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION ARISING HEREFROM OR IN RELATION HERETO.

SECTION 29. AMENDMENTS.

NO TERM OR PROVISION OF THIS LEASE MAY BE AMENDED, ALTERED, WAIVED, DISCHARGED OR TERMINATED ORALLY, EXCEPT IN A WRITING SIGNED BY A DULY AUTHORIZED OFFICER OF THE PARTY AGAINST WHOM THE ENFORCEMENT OF THE AMENDMENT, ALTERATION, WAIVER, DISCHARGE OR TERMINATION IS SOUGHT.



\_\_\_\_\_  
LESSEE'S INITIALS

SECTION 30. Truth in Leasing.

THE AIRCRAFT, AS EQUIPMENT, BECAME SUBJECT TO THE MAINTENANCE REQUIREMENTS OF PART 91 OF THE FEDERAL AVIATION REGULATIONS ("FARS") UPON THE REGISTRATION OF THE AIRCRAFT WITH THE FAA. LESSEE CERTIFIES THAT DURING THE 12 MONTHS (OR PORTION THEREOF DURING WHICH THE AIRCRAFT HAS BEEN SUBJECT TO U.S. REGISTRATION) PRECEDING THE EXECUTION OF THIS LEASE, THE AIRCRAFT HAS BEEN MAINTAINED AND INSPECTED UNDER PART 91 OF THE FARS. LESSEE CERTIFIES THAT THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER PART 91 OF THE FARS FOR OPERATIONS TO BE

CONDUCTED UNDER THE LEASE. UPON EXECUTION OF THIS LEASE, AND DURING THE TERM HEREOF, THE LESSEE, WHOSE NAME AND ADDRESS ARE SET FORTH IMMEDIATELY BELOW, ACTING BY AND THROUGH THE SIGNATORY HERETO, WHO EXECUTES THIS SECTION SOLELY IN HIS CAPACITY OF THE LESSEE SET FORTH BELOW HIS SIGNATURE, CERTIFIES THAT LESSEE SHALL BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT UNDER THE LEASE (WHILE IT HAS POSSESSION OF THE AIRCRAFT), UNLESS THE AIRCRAFT IS SUBLEASED TO AN AIR CARRIER OR AIR TAXI OPERATOR CERTIFICATED UNDER PART 121 OR PART 135, RESPECTIVELY, OF THE FARs IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. THE LESSEE FURTHER CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FARs, PROVIDED HOWEVER, THAT THE LESSEE SHALL NOT BE DEEMED TO BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT FOR SO LONG AS THE AIRCRAFT IS IN POSSESSION OF ANY SUBLESSEE THAT IS CERTIFICATED UNDER PART 121 OR PART 135 OF THE FARs IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. AN EXPLANATION OF FACTORS BEARING ON OPERATIONAL CONTROL AND PERTINENT FARs CAN BE OBTAINED FROM THE NEAREST FEDERAL AVIATION FLIGHT STANDARD DISTRICT OFFICE, GENERAL AVIATION DISTRICT OFFICE OR AIR CARRIER DISTRICT OFFICE.

IN WITNESS WHEREOF, the parties hereto have caused the Lease to be duly executed by the respective officers thereunto duly authorized.

Lessor:

Fleet National Bank

By: David E. Mitchell

Title: David E. Mitchell

Date: August 1, 2000

Address: c/o Fleet Capital  
Corporation  
50 Kennedy Plaza  
Fifth Floor  
Providence, RI 02903-2305

Lessee:

Westar Capital, Inc.

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

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

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

Address: 815 South Kansas  
Avenue  
Topeka, KS 66612

This is Counterpart No. 2 of a total of 3 counterparts. Only Counterpart No. 1 shall be considered chattel paper for purposes of the Uniform Commercial Code and a security interest may be perfected only by possession of Counterpart No. 1.

CONDUCTED UNDER THE LEASE. UPON EXECUTION OF THIS LEASE, AND DURING THE TERM HEREOF, THE LESSEE, WHOSE NAME AND ADDRESS ARE SET FORTH IMMEDIATELY BELOW, ACTING BY AND THROUGH THE SIGNATORY HERETO, WHO EXECUTES THIS SECTION SOLELY IN HIS CAPACITY OF THE LESSEE SET FORTH BELOW HIS SIGNATURE, CERTIFIES THAT LESSEE SHALL BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT UNDER THE LEASE (WHILE IT HAS POSSESSION OF THE AIRCRAFT), UNLESS THE AIRCRAFT IS SUBLEASED TO AN AIR CARRIER OR AIR TAXI OPERATOR CERTIFICATED UNDER PART 121 OR PART 135, RESPECTIVELY, OF THE FARs IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. THE LESSEE FURTHER CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FARs, PROVIDED HOWEVER, THAT THE LESSEE SHALL NOT BE DEEMED TO BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT FOR SO LONG AS THE AIRCRAFT IS IN POSSESSION OF ANY SUBLESSEE THAT IS CERTIFICATED UNDER PART 121 OR PART 135 OF THE FARs IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. AN EXPLANATION OF FACTORS BEARING ON OPERATIONAL CONTROL AND PERTINENT FARs CAN BE OBTAINED FROM THE NEAREST FEDERAL AVIATION FLIGHT STANDARD DISTRICT OFFICE, GENERAL AVIATION DISTRICT OFFICE OR AIR CARRIER DISTRICT OFFICE.

IN WITNESS WHEREOF, the parties hereto have caused the Lease to be duly executed by the respective officers thereunto duly authorized.

Lessor:

Fleet National Bank

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

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

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

Address: c/o Fleet Capital  
Corporation  
50 Kennedy Plaza  
Fifth Floor  
Providence, RI 02903-2305

Lessee:

Westar Capital, Inc.

By: [Signature]

Title: President

Date: August 1, 2000

Address: 818 South Kansas  
Avenue  
Topeka, KS 66612

This is Counterpart No. 2 of a total of 3 counterparts. Only Counterpart No. 1 shall be considered chattel paper for purposes of the Uniform Commercial Code and a security interest may be perfected only by possession of Counterpart No. 1.

EXHIBIT A

Definitions

(a) All References in the Lease to designated Sections and other subdivisions are to such designated Sections and other subdivisions only, and the words "herein," "hereof" and "hereunder" and other words of similar import refer to the Lease as whole and not to any particular Section or other subdivision.

(b) Except as otherwise indicated, all the agreements and instruments defined herein or in the Lease shall mean such agreements and instruments as the same may from time to time be supplemented or amended, or as the terms thereof may be waived or modified to the extent permitted by, and in accordance with, the terms thereof.

(c) The terms defined herein and in the Lease shall, for purposes of the Lease and all Lease Supplements, Schedules and Exhibits thereto, have the meanings assigned to them and shall include the plural as well as the singular as the context requires.

(d) The following terms shall have the following meanings for all purposes of the Lease:

Basic Rent, Basic Rent Date, Basic Term, Daily Lease Rate, First Basic Lease Rate, Second Basic Lease Rate, Expiration Date, First Basic Rent Date, Last Basic Rent Date, Last Acceptance Date, Lessor's Cost, Permitted Deductible, Primary Hangar Location, Periodic Rental Adjustment, Recovery Period, Renewal Term and Rent Commencement Date shall have the meanings set forth in Schedules 2 and 2-A to Lease Supplement No. 1 to the Lease.

Acceptance Date shall mean the date (which date shall be no later than the date designated as the "Last Acceptance Date" on Schedule No. 2 to Lease Supplement No. 1) on which Lessee has irrevocably and unconditionally accepted the Aircraft for lease under the Lease as evidenced by the execution and delivery of Lease Supplement No. 1 relating thereto dated such date.

Additions shall have the meaning set forth in Section 11 of the Lease.

Aircraft shall mean (i) the Airframe, (ii) the Engines, and (iii) to the extent applicable, the Records.

Aircraft Marking shall mean the marking described on Lease Supplement No. 2.

Airframe shall mean (i) the Aircraft described in Schedule No. 1 to Lease Supplement No. 1, and, unless the context requires otherwise, shall not include the Engines and (ii) any and all

Parts from time to time incorporated in, installed on or attached to such Aircraft and any and all Parts removed therefrom so long as title thereto shall remain vested in Lessor in accordance with the applicable terms of this Lease after removal from the Aircraft.

Assumption Agreement shall have the meaning set forth in Section 6(r) of the Lease.

Balloon Loans shall mean any debt obligation of the Lessee whereby the entire principal amount of any such debt obligation is due or payable by Lessee in one (1) lump sum.

Basic Rent shall have the meaning set forth in Section 3 of the Lease.

Basic Term shall mean the number of months set forth in Schedule No. 2 to Lease Supplement No. 1.

Bill of Sale shall have the meaning set forth in Section 2 of the Lease.

Business Day shall mean any day other than a Saturday, Sunday or other day on which banks located in Providence, Rhode Island are closed or are authorized to close.

Casualty Value shall mean as of any applicable Basic Rent Date an amount determined by multiplying the Lessor's Cost of the Aircraft by the percentage set forth opposite the applicable Basic Rent Date set forth in Schedule No. 3 to Lease Supplement No. 1 to the Lease except that, in the case of an Event of Loss covered by the insurance required to be maintained by Lessee pursuant to Section 14(b) of the Lease (or which would have been covered by such insurance, had such insurance been maintained as required), Casualty Value shall mean the higher of fair market sales value (as determined by the Lessor in its sole discretion) or the value determined in accordance with Schedule No. 3 to Lease Supplement No. 1.

Claims shall have the meaning set forth in Section 15 of the Lease.

Code shall mean the Internal Revenue Code of 1986, as amended.

Compliance Certificate shall mean a compliance certificate in the form of Exhibit E hereto or such other form of compliance certificate as Lessor shall, in its sole discretion, shall deem satisfactory.

Debt Service Coverage shall mean Net Income plus Depreciation and Amortization plus other non-cash charges included in Net Income, divided by scheduled maturities of Long Term Debt in the previous twelve (12) months excluding any scheduled Balloon Loans

in the previous twelve (12) months. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

Default shall mean an event or circumstance which, after the giving of notice or lapse of time, or both, would become an Event of Default.

Delaware Corporation shall have the meaning set forth in Section 6(r) of the Lease.

Early Purchase Date shall have the meaning set forth in Section 23(e) of the Lease.

Early Purchase Option Amount shall mean an amount equal to the greater of (i) the Early Purchase Option Fair Market Value and (ii) the amount determined by multiplying the Lessor's Cost of the Aircraft by the percentage set forth opposite the applicable Basic Rent Date set forth on Schedule No. 4 to Lease Supplement No. 1 to the Lease for the applicable Early Purchase Date.

Early Purchase Option Fair Market Value shall mean if Lessee has elected to exercise its early purchase option, then as soon as practicable following Lessor's receipt of the written notice from Lessee of Lessee's intent to exercise such option, Lessor and Lessee shall consult for the purpose of determining the Fair Market Value of the Aircraft as of the Early Purchase Date. Any values agreed upon in writing shall constitute such Fair Market Value of the Aircraft for the purposes of the Early Purchase Option Amount. If Lessor and Lessee fail to agree upon such value within thirty (30) days after Lessee has elected its early purchase option, Lessor shall appoint an independent appraiser (reasonably acceptable to Lessee) to determine Fair Market Value and that determination shall be final, binding and conclusive. Lessee agrees to pay the costs and expenses of any such appraisal.

Engine shall mean (i) each of the engines described and listed by manufacturer's serial numbers in Schedule No. 1 to Lease Supplement No. 1 and originally installed on the Airframe covered by such Lease Supplement whether or not thereafter installed on such Airframe or any other airframe from time to time; (ii) any engine which may from time to time be substituted, pursuant to the applicable terms of this Lease, for an Engine leased hereunder and (iii) in each case set forth in clauses (i) and (ii) hereof, with any and all Parts incorporated in or installed on or attached to such Engine or engine or any and all Parts removed therefrom so long as title thereto shall remain vested in Lessor in accordance with the applicable terms of this Lease after removal from such Engine. The term "Engines" means, as of any date of determination, all Engines leased hereunder.

Event of Default shall have the meaning set forth in Section 18 of the Lease.

Event of Loss with respect to the Aircraft, the Airframe or any Engine shall mean any of the following events with respect to such property (i) loss of such property or the use thereof due to theft, disappearance, destruction, damage beyond repair or rendition of such property permanently unfit for normal use for any reason whatsoever; (ii) any damage to such property which results in an insurance settlement with respect to such property on the basis of a total loss or constructive total loss; (iii) the condemnation, confiscation or seizure of, or requisition of title to or use of, such property by the act of any government (foreign or domestic) or of any state or local authority or any instrumentality or agency of the foregoing ("Requisition of Use"); (iv) as a result of any rule, regulation, order or other action by any government (foreign or domestic) or governmental body (including, without limitation, the FAA or any similar foreign governmental body) having jurisdiction, the use of such property shall have been prohibited, or such property shall have been declared unfit for use, for a period of six (6) consecutive months, unless Lessee, prior to the expiration of six-month period, shall have undertaken and, in the opinion of the Lessor, shall be diligently carrying forward all steps which are necessary or desirable to permit the normal use of such property by Lessee or, in any event, if use shall have been prohibited, or such property shall have been declared unfit for use, for a period of twelve (12) consecutive months; (v) with respect to an Engine, the removal thereof from the Airframe for a period of six (6) months or longer, whether or not such Engine is operational or (vi) such property shall be returned to the Manufacturer, other than for modification in the event of patent infringement or for repair or replacement (any such return being herein referred to as a "Return to Manufacturer"). The date of such Event of Loss shall be the date of such theft, disappearance, destruction, damage, Requisition of Use, prohibition, unfitness for use for the stated period, removal for the stated period or Return to Manufacturer. An Event of Loss with respect to the Aircraft shall be deemed to have occurred if an Event of Loss occurs with respect to the Airframe. An Event of Loss with respect to any Engine shall not, without loss of the Airframe, be deemed an Event of Loss with respect to the Aircraft.

FAA shall mean the United State Federal Aviation Administration and/or the Administrator of the Federal Aviation Administration and the Department of Transportation, or any person, governmental department, bureau, authority, commission or agency succeeding the functions of any of the foregoing.

FAA Counsel shall mean Messrs. Daugherty, Fowler & Peregrin, 204 North Robinson, 900 City Place, Oklahoma City, Oklahoma 73102, or such other counsel in Oklahoma City, Oklahoma as Lessor may designate.

Federal Aviation Act shall mean Subtitle VII of Title 49 of the United States Code, as amended and recodified.

Fiscal Year shall mean the fiscal year of the Lessee commencing January 1 and ending December 31 of each calendar year.

Funded Debt shall mean the sum of all short term loans payable, current period current maturities of long term debt, current period subordinated debt, long term debt and subordinated long term debt, as of the date of determination thereof in accordance with generally accepted accounting principles applied on a consistent basis. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

Impositions shall have the meaning set forth in Section 10 of the Lease.

Intervening Subsidiaries of Lessee shall mean any subsidiary which Lessee, at all times, owns and controls at least fifty percent (50%) of the voting capital stock and voting control of any such subsidiary.

Late Payment Rate The lesser of a rate equal to 1.5% per month or the highest rate permitted by applicable law. The Late Payment Rate shall be computed on the basis of a 360 day year and a 30 day month.

Lease Supplement shall mean a supplement to the Lease to be entered into on the Acceptance Date by Lessor and Lessee, which supplement shall be substantially in the form as attached to the Lease and identified as either Lease Supplement No. 1 or Lease Supplement No. 2 both of which are attached to the Lease and made a part thereof.

Lessee Stock Separation Sales shall have the meaning set forth in Section 6(r) of the Lease.

Lessor's Cost shall have meaning set forth in Schedule No. 2 to Lease Supplement No. 1 to the Lease.

Lessor's Liens shall mean any Liens created or granted by Lessor with respect to Lessor's purchase or financing of the Aircraft or resulting from claims against Lessor not related to Lessor's ownership of the Aircraft.

Liens shall mean all liens, charges, security interests, and encumbrances of every nature and description whatever, including, without limitation, liens, charges, security interests and encumbrances with respect to Impositions, (other than Lessor's Liens) and rights of third parties under management, pooling, interchange, overhaul, repair or other similar agreements or arrangements.

Maintenance Contract shall have the meaning set forth in Section 8(b) of the Lease.

Manufacturer shall mean the manufacturers identified on Lease Supplement No. 2 and their respective successors and assigns.

Net Income shall mean the excess of Revenues over Expenses, adjusted as applicable, for any non-cash extraordinary provisions relating to changes in accounting principles mandated by the Financial Accounting Standards Board. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

Parts shall mean all appliances, avionics, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (other than Additions or complete Engines), which may from time to time be incorporated or installed in or attached to the Airframe or any Engine or so long as title thereto shall be vested in Lessor in accordance with the applicable terms of this Lease.

Permitted Liens shall mean (a) the respective rights of others under agreements or arrangements to the extent expressly provided by the terms of Section 16 of the Lease, (b) Lessor's Liens and (c) Liens for taxes either not yet due or being contested by Lessee in good faith and inchoate materialmen's, mechanic's, workmen's, repairmen's, employee's or other like Liens arising in the ordinary course of business of Lessee for sums not yet delinquent or being contested in good faith (and for the payment of which adequate assurances and/or security have, in Lessor's sole judgment, been provided to Lessor) with due diligence and by appropriate proceedings, if counsel for Lessor shall have determined in his sole opinion that the nonpayment of any such tax or Lien or the contest of any such payment in such proceedings does not and will not adversely affect the title, property or rights of Lessor.

Person shall mean any individual, partnership, corporation, trust, association, joint venture, joint stock company, or non-incorporated organization or government or any department or agency thereof, or any other entity of any kind whatsoever.

Protection One Change shall mean any change in the financial condition or results of operations of Western or Lessee arising from or attributable to the business, operations or financial results of Protection One, Inc. or to an accounting change, adjustment or restatement made by Protection One, Inc.

Purchase Documents shall mean the documents identified on Lease Supplement No. 2 and such other documents as Lessor shall consider necessary or advisable in order to convey to Lessor

title to the Aircraft as contemplated under the Lease, which documents shall be in form and substance satisfactory to Lessor.

Records means any and all logs, manuals, certificates, data and inspection, modification, maintenance, engineering, technical and overhaul records (including all computerized data, records and materials of any kind whatsoever) with respect to the Aircraft, including, without limitation, all records required to be maintained by the FAA or any other governmental agency or authority having jurisdiction with respect to the Aircraft or any Manufacturer or Supplier of the Aircraft (or any part thereof) with respect to the enforcement of warranties or otherwise, which Records shall be at all times the property of the Lessor after the Acceptance Date.

Renewal Term shall have the meaning set forth in Section 23 (b) of the Lease.

Rent shall have the meaning set forth in Section 3 of the Lease.

Reorganization shall have the meaning set forth in Section 6(r) of the Lease.

Replacement Parts shall have the meaning set forth in Section 11 of the Lease.

Requisition of Use shall have the meaning set forth in the Event of Loss definition contained herein.

Return to Manufacturer shall have the meaning set forth in the Event of Loss definition contained herein.

SEC shall have the meaning set forth in Section 6 (d) of the Lease.

Security Deposit shall have the meaning set forth in Section 27 of the Lease.

Security Deposit Amendment shall have the meaning set forth in Section 2(I)(a)(xiii) of the Lease.

Supplemental Rent shall have the meaning set forth in Section 3 of the Lease.

Supplier shall mean the suppliers identified on Lease Supplement No. 2 and their respective successors and assigns.

Term shall mean the Basic Term together with any Renewal Term entered into pursuant to Section 23 (b) of the Lease.

Total Liabilities shall mean all current and non-current liabilities including, without limitation, subordinated indebtedness, as of the date of determination thereof in

accordance with generally accepted accounting principles applied on a consistent basis. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

UCC shall mean the Uniform Commercial Code as in effect in the applicable jurisdiction.

Warranty Bill of Sale shall mean a warranty bill of sale in the form of Exhibit B hereto.

Western shall mean Western Resources, Inc., a Kansas corporation.

Westar 1996 Lease shall mean that certain Aircraft Lease dated as of March 26, 1996 between Fleet National Bank, as lessor (by assignment of said Aircraft Lease pursuant to a certain Assignment and Assumption Agreement dated as of March 17, 2000), and Westar Capital, Inc., as lessee (by assignment of said Aircraft Lease pursuant to a certain Assignment and Assumption Agreement dated as of March 26, 1996), and any and all schedules, supplements, riders, consents, amendments or modifications to said Aircraft Lease and any exhibits executed or delivered in connection therewith.

Westar 1996 Lease Event of Default shall mean the occurrence of any event of default set forth as an "Event of Default" in the Westar 1996 Lease.

Worth shall mean the excess of all assets over Total Liabilities. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

Initials:

Lessee: \_\_\_\_\_

Lessor:  \_\_\_\_\_

accordance with generally accepted accounting principles applied on a consistent basis. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

UCC shall mean the Uniform Commercial Code as in effect in the applicable jurisdiction.

Warranty Bill of Sale shall mean a warranty bill of sale in the form of Exhibit B hereto.

Western shall mean Western Resources, Inc., a Kansas corporation.

Westar 1996 Lease shall mean that certain Aircraft Lease dated as of March 26, 1996 between Fleet National Bank, as lessor (by assignment of said Aircraft Lease pursuant to a certain Assignment and Assumption Agreement dated as of March 17, 2000), and Westar Capital, Inc., as lessee (by assignment of said Aircraft Lease pursuant to a certain Assignment and Assumption Agreement dated as of March 26, 1996), and any and all schedules, supplements, riders, consents, amendments or modifications to said Aircraft Lease and any exhibits executed or delivered in connection therewith.

Westar 1996 Lease Event of Default shall mean the occurrence of any event of default set forth as an "Event of Default" in the Westar 1996 Lease.

Worth shall mean the excess of all assets over Total Liabilities. All accounting terms not specifically defined in the Lease or this Exhibit A shall be construed and determined in accordance with generally accepted accounting principles applied on a consistent basis.

Initials:

Lessee: *JW*

Lessor: \_\_\_\_\_

LEASE SUPPLEMENT NO. 1

under

AIRCRAFT LEASE dated as of August 1, 2000, by and between Fleet National Bank, as lessor ("Lessor"), and Westar Capital, Inc., as lessee ("Lessee").

(a) The Aircraft.

Lessee hereby acknowledges, agrees and certifies that the Aircraft as set forth and described in Schedule No. 1 hereto is in Lessee's possession, has been inspected by Lessee to its complete satisfaction, has been found to be in good working order, repair and condition and fully equipped to operate as required under applicable law for its purpose, is of a size, design, capacity and manufacture selected by Lessee and suitable for Lessee's purposes, and is, as of the date set forth below, unconditionally, irrevocably and fully accepted by Lessee for lease under the Lease. Lessee hereby further unconditionally and irrevocably reaffirms its acknowledgements and agreements in the Lease. All capitalized terms used herein which are not otherwise defined herein shall have the meanings given to such terms in the Lease.

(b) Representations by Lessee.

Lessee hereby represents and warrants to Lessor that on the date hereof:

(1) The representations and warranties of Lessee set forth in the Lease and all certificates and opinions delivered in connection therewith were true and correct in all respects when made and are true and correct as of the date hereof, with the same force and effect as if the same had been made on this date.

(2) Lessee has satisfied or complied with all conditions precedent and requirements as set forth in the Lease and Lease Supplements which are required to be or to have been satisfied or complied with on or prior to the date thereof.

(3) No Default or Event of Default under the Lease has occurred and is continuing on the date hereof.

(4) Lessee has obtained, and there are in full force and effect, such insurance policies with respect to the Aircraft, as such term is defined in the Lease, as are required to be obtained under the terms of the Lease.

(5) Lessee has furnished no equipment for the Aircraft other than as stated on Schedule No. 1 hereto or permitted as an Addition thereto pursuant to the Lease.

(6) The facts, terms, information, description and costs set forth in the attached Schedules No. 1, No. 2 and No. 2-A hereto are true, complete, accurate and correct.

(7) The Lease shall be deemed a "finance lease" under Section 2A-103 (g) of the UCC.

Date of unconditional, irrevocable and final acceptance by Lessee:

August 2, 2000.

IN WITNESS WHEREOF, Lessee has caused this Lease Supplement No. 1 to be duly executed by its officer thereunto duly authorized.

Westar Capital, Inc.,  
as Lessee

By: *Lee Davis*

Title: President

Date: August 2, 2000

SCHEDULE NO. 1

TO

LEASE SUPPLEMENT NO. 1

Description of Aircraft

Cessna Model 750 Citation X aircraft which consists of the following components:

(a) Airframe bearing FAA Registration Mark N800W, and manufacturer's Serial No. 750-0122.

(b) Two (2) Rolls-Royce Allison Model AE3007C engine(s), respectively, bearing manufacturer's Serial Nos. CAE 330259 and CAE 330230, (each of which has 750 or more rated takeoff horsepower or the equivalent of such horsepower).

(c) One (1) AlliedSignal/Garrett Model GTCP 36-150CX auxiliary power unit bearing manufacturer's serial number P237.

(d) Standard accessories and optional equipment and such other items fitted or installed on the Aircraft and as may be more particularly described hereinafter:

See Schedule A which is attached hereto and made a part hereof.

(e) Those items of Lessee furnished equipment described in a bill of sale or bills of sale therefor (copies of which may be appended hereto), delivered by Lessee to Lessor which constitute appliances and equipment which will be installed on the Aircraft.

Initials:

Lessee: \_\_\_\_\_

Lessor:     *AW*

SCHEDULE NO. 1

TO

LEASE SUPPLEMENT NO. 1

Description of Aircraft

Cessna Model 750 Citation X aircraft which consists of the following components:

(a) Airframe bearing FAA Registration Mark N800W, and manufacturer's Serial No. 750-0122.

(b) Two (2) Rolls-Royce Allison Model AE3007C engine(s), respectively, bearing manufacturer's Serial Nos. CAE 330259 and CAE 330230, (each of which has 750 or more rated takeoff horsepower or the equivalent of such horsepower).

(c) One (1) AlliedSignal/Garrett Model GTCP 36-150CX auxiliary power unit bearing manufacturer's serial number P237.

(d) Standard accessories and optional equipment and such other items fitted or installed on the Aircraft and as may be more particularly described hereinafter:

See Schedule A which is attached hereto and made a part hereof.

(e) Those items of Lessee furnished equipment described in a bill of sale or bills of sale therefor (copies of which may be appended hereto), delivered by Lessee to Lessor which constitute appliances and equipment which will be installed on the Aircraft.

Initials:

Lessee: HW

Lessor: \_\_\_\_\_

SCHEDULE A - EQUIPMENT

Attached to and made a part of the following documents between Fleet National Bank, as lessor, and Westar Capital, Inc. as lessee:

Aircraft Lease dated as of August 1, 2000 and UCC-1 Financing Statements

Cessna Model 750 Aircraft, bearing manufacturer's serial number 750-0122, and FAA Mark N800W

Two (2) Rolls Royce Allison Model AE3007C aircraft engines, serial nos. CAE 330259 and CAE 330230

One AlliedSignal Model QTCP 36-150CX auxiliary power unit, serial number P237.

Avionics and Equipment:

Magnastar Cockpit Headset Interface Panel (CHIP) for Magnastar Telephone-Teletype Controls

Dual Lighted Yoke Mounted Approach Plate

Second 49 Cubic Foot Oxygen Bottle

Airshow Network System

Cabin Briefing Option for Airshow System

KHF-950 (second) (provisions only) - AlliedSignal (Bendix-King)

CSD-714 SELCAL (Selective Calling) - Coltech

Satellite Data Communications System (SDCS) - AlliedSignal

SSPDR (Provisions only) - Sundstrand

TCAS 2000 - Honeywell-Primus II Radios

Enhanced Ground Proximity Warning System - AlliedSignal

Magnastar C-2000 Digital Telephone - Aft Location

Red Strobe Lights (Exchange)

Tail Flood Lights - Devore

Oxygen System

Angle-of-Attack Indicator/Indexer - Teledyne

Locator Beacon (ELT) - Litton

Life Raft Mooring Ring

Dual DVD Unit with Remote Control

Four Man Life Rafts (3 Ea.) - B.F. Goodrich

Crew Seat Sheepskin Slipcovers (2 Ea.)

Exterior:

Overall Matterhorn White color with stripes in Maxi Blue and Ameri Blue.

AND ALL STANDARD EQUIPMENT, ALL ADDITIONS, ACCESSIONS, MODIFICATIONS, IMPROVEMENTS, REPLACEMENTS, SUBSTITUTIONS, AND ACCESSORIES THERETO AND THEREFOR, ALL AVIONICS, ONBOARD EQUIPMENT, LOOSE EQUIPMENT LOCATED IN THE AIRCRAFT, RECORDS, MANUALS, AND LOGBOOKS, IN BOTH WRITTEN AND COMPUTER DATA FORM, AND WHETHER NOW EXISTING OR HEREAFTER ACQUIRED.

Lessee: \_\_\_\_\_

Lesser:  \_\_\_\_\_

SCHEDULE A - EQUIPMENT

Attached to and made a part of the following documents between Fleet National Bank, as lessor, and Westar Capital, Inc. as lessee:

Aircraft Lease dated as of August 1, 2000 and UCC-1 Financing Statements

Cessna Model 750 Aircraft, bearing manufacturer's serial number 750-0122, and FAA Mark N800W

Two (2) Rolls Royce Allison Model AE3007C aircraft engines, serial nos. CAE 330259 and CAE 330230

One AlliedSignal Model GTCF 36-150CX auxiliary power unit, serial number P217.

Avionics and Equipment:

Magnastar Cockpit headset Interface Panel (CHIP) for Magnastar Telephone-Teledyne Controls

Dual Lighted Yoke Mounted Approach Plate

Second 49 Cubic Foot Oxygen Bottle

Airshow Network System

Cabin Briefing Option for Airshow System

KHF-950 (second) (provisions only)- AlliedSignal (Bendix-King)

CSD-714 SELCAL (Selective Calling)- Coltech

Satellite Data Communications System (SDCS)- AlliedSignal

SSFDR (Provisions only)- Sundstrand

TCAS 2000- Honeywell-Primus II Radios

Enhanced Ground Proximity Warning System-AlliedSignal

Magnastar C-2000 Digital Telephone- Aft location

Red Strobe Lights (Exchange)

Tail Flood Lights- Devore

Oxygen System

Angle-of-Attack Indicator/Indexer- Teledyne

Locator Beacon (ELT)- Litton

Life Raft Mooring Ring

Dual DVD Unit with Remote Control

Four Man Lift Rafts (3 Ea.) - B.F. Goodrich

Crew Seat Sheepskin Slipcovers (2 Ea.)

Exterior:

Overall Mattethorn White color with stripes in Maxi Blue and Ameri Blue.

AND ALL STANDARD EQUIPMENT, ALL ADDITIONS, ACCESSIONS, MODIFICATIONS, IMPROVEMENTS, REPLACEMENTS, SUBSTITUTIONS, AND ACCESSORIES THERETO AND THEREFOR, ALL AVIONICS, ONBOARD EQUIPMENT, LOOSE EQUIPMENT LOCATED IN THE AIRCRAFT, RECORDS, MANUALS, AND LOGBOOKS, IN BOTH WRITTEN AND COMPUTER DATA FORM, AND WHETHER NOW EXISTING OR HEREAFTER ACQUIRED.

Lessee: 

Lessor: \_\_\_\_\_

SCHEDULE NO. 2

TO

LEASE SUPPLEMENT NO. 1

Financial Terms

Rent Commencement Date: September 5, 2000

Basic Term: One Hundred and Twenty (120) months commencing from the Rent Commencement Date and through and including the Expiration Date.

Basic Rent Dates: Fifth (5th) day of each and every calendar month from and including the First Basic Rent Date through the Last Basic Rent Date (and if renewed, through and including the fifth (5th) day of each month throughout the Renewal Term).

First Basic Rent Date: September 5, 2000

Last Basic Rent Date: August 5, 2010

Expiration Date: September 4, 2010

Renewal Term: Twelve (12) months commencing on the day after the Expiration Date and through and including the last day of the twelfth (12th) month period following the Expiration Date.

Primary Hangar Location: Executive Beechcraft  
6700 S.W. Topeka Boulevard  
Building 622  
Forbes Field  
Topeka, KS 66619

Lessee's Chief Executive Offices and Principal Place of Business: 818 South Kansas Avenue  
Topeka, KS 66601

Acceptance Date: August 2, 2000

Last Acceptance Date: August 4, 2000

Recovery Period:

5 years

Date of Last Financial Statements: December 31, 1999

Lessor's Cost:

\$17,324,800.00

Initials:

lessee: \_\_\_\_\_

lessor:     RW

Recovery Period: 5 years

Date of Last Financial Statements: December 31, 1999

Lessor's Cost: \$17,324,800.00

Initials:

Lessee:         

Lessor:

SCHEDULE NO. 2-A

TO

LEASE SUPPLEMENT NO. 1

Financial Terms (continued)

Daily Lease Rate, subject, however,  
to adjustment/revision as set  
forth below\*: \$3,796.67

First Basic Lease Rate for the  
First Basic Rent Date (1st)  
and for all Basic Rent Dates  
thereafter up to and including the  
sixtieth (60th) Basic Rent Date,  
subject, however, to adjustment/  
revision as set forth below\*: \$102,700.00

Second Basic Lease Rate for the  
sixty-first (61st) Basic Rent Date  
and for all remaining Basic Rent  
Dates (including, any calendar  
months as provided in  
Section 3(b)(iv)), subject,  
however, to adjustment/revision  
as set forth below\*: \$125,100.00

Permitted Deductible: \$50,000.00 per occurrence

\* Periodic Rental Adjustment: Each payment of Basic  
Rent including the Basic Rent payment due on the First Basic Rent  
Date and all payments thereafter shall be as provided above,  
subject to adjustment by an amount (the "Rental Adjustment")  
calculated as set forth below:

The Rental Adjustment for any payment of Basic Rent  
commencing with the first (1st) Basic Rent Date  
shall be equal to the product of the following  
formula divided by 12: (a) the Rental Balance  
(hereinafter defined) as of the applicable Basic  
Rent Date; multiplied by (b) the difference between  
the Assumed Index Rate (hereinafter defined), and  
the Actual Index Rate (hereinafter defined) in  
effect as of the fifteenth (15th) day of the month  
immediately preceding such Basic Rent Date  
(including, without limitation, the First Basic Rent  
Date).

Each Rental Adjustment shall be added to and payable  
at the time of the payment of Basic Rent to which

such Rental Adjustment is applicable if there is an increase in the Actual Index Rate from the Assumed Index Rate, and shall be subtracted from each such payment of Basic Rent if there is a decrease in the Actual Index Rate from the Assumed Index Rate.

Lessor shall prepare a new Schedule No. 3 to Lease Supplement No. 1, Schedule No. 4 to Lease Supplement No. 1 and Schedule 2-A: Schedule of Rental Balances from time to time which reflect any revised payments. Upon furnishing of the foregoing new Schedules to the Lessee, such new Schedules shall be deemed to replace the then existing Schedule No. 3 to Lease Supplement No. 1, Schedule No. 4 to Lease Supplement No. 1 and Schedule 2-A: Schedule of Rental Balances.

As used herein, the following terms shall have the meanings set forth below:

"Actual Index Rate" shall mean the "one-month" "London Interbank Offered Rate (LIBOR)" as published in The Wall Street Journal in effect on the 15th day of the month immediately preceding the Basic Rent Date for which the comparison to the Assumed Index Rate is being made (or if The Wall Street Journal is not published on such day, the next preceding day on which The Wall Street Journal is published). In the event that The Wall Street Journal is not published or does not report a "one-month" "London Interbank Offered Rate (LIBOR)" for seven consecutive Business Days, a comparable rate shall be selected by Lessor its reasonable discretion.

"Assumed Index Rate" shall mean 6.65% per annum.

"Rental Balance" as of any Basic Rent shall be an amount equal to the Lessor's Cost, multiplied by the Rental Balance Percentage set forth on "Schedule 2-A: Schedule of Rental Balances" attached hereto for the payment of Basic Rent applicable to such Basic Rent Date.

Initials:

Lessee: \_\_\_\_\_

Lessor:  \_\_\_\_\_

such Rental Adjustment is applicable if there is an increase in the Actual Index Rate from the Assumed Index Rate, and shall be subtracted from each such payment of Basic Rent if there is a decrease in the Actual Index Rate from the Assumed Index Rate.

Lessor shall prepare a new Schedule No. 3 to Lease Supplement No. 1, Schedule No. 4 to Lease Supplement No. 1 and Schedule 2-A: Schedule of Rental Balances from time to time which reflect any revised payments. Upon furnishing of the foregoing new Schedules to the Lessee, such new Schedules shall be deemed to replace the then existing Schedule No. 3 to Lease Supplement No. 1, Schedule No. 4 to Lease Supplement No. 1 and Schedule 2-A: Schedule of Rental Balances.

As used herein, the following terms shall have the meanings set forth below:

"Actual Index Rate" shall mean the "one-month" "London Interbank Offered Rate (LIBOR)" as published in The Wall Street Journal in effect on the 15th day of the month immediately preceding the Basic Rent Date for which the comparison to the Assumed Index Rate is being made (or if The Wall Street Journal is not published on such day, the next preceding day on which The Wall Street Journal is published). In the event that The Wall Street Journal is not published or does not report a "one-month" "London Interbank Offered Rate (LIBOR)" for seven consecutive Business Days, a comparable rate shall be selected by Lessor its reasonable discretion.

"Assumed Index Rate" shall mean 6.65% per annum.

"Rental Balance" as of any Basic Rent shall be an amount equal to the Lessor's Cost, multiplied by the Rental Balance Percentage set forth on "Schedule 2-A: Schedule of Rental Balances" attached hereto for the payment of Basic Rent applicable to such Basic Rent Date.

Initials:

Lessee: hw

Lessor: \_\_\_\_\_

SCHEDULE 2-A  
 SCHEDULE OF RENTAL BALANCES  
 (to be omitted from FAA filing copy)

<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>
1	100.00	41	64.57	81	31.17
2	99.41	42	63.74	82	30.33
3	98.48	43	62.92	83	29.50
4	97.50	44	62.09	84	28.67
5	96.55	45	61.27	85	27.84
6	95.60	46	60.46	86	27.02
7	94.66	47	59.64	87	26.20
8	93.72	48	58.83	88	25.38
9	92.78	49	58.02	89	24.56
10	91.85	50	57.22	90	23.75
11	90.92	51	56.42	91	22.94
12	90.00	52	55.62	92	22.14
13	89.07	53	54.82	93	21.33
14	88.15	54	54.03	94	20.53
15	87.24	55	53.24	95	19.74
16	86.33	56	52.45	96	18.94
17	85.42	57	51.66	97	18.15
18	84.51	58	50.88	98	17.36
19	83.61	59	50.10	99	16.57
20	82.71	60	49.33	100	15.79
21	81.81	61	48.55	101	15.01
22	80.92	62	47.65	102	14.24
23	80.03	63	46.76	103	13.46
24	79.15	64	45.86	104	12.69
25	78.26	65	44.97	105	11.92
26	77.38	66	44.09	106	11.16
27	76.51	67	43.20	107	10.39
28	75.64	68	42.32	108	9.63
29	74.77	69	41.45	109	8.87
30	73.90	70	40.57	110	8.12
31	73.04	71	39.70	111	7.37
32	72.18	72	38.83	112	6.62
33	71.32	73	37.97	113	5.87
34	70.46	74	37.11	114	5.13
35	69.61	75	36.25	115	4.39
36	68.77	76	35.39	116	3.65
37	67.92	77	34.54	117	2.91
38	67.08	78	33.69	118	2.18
39	66.24	79	32.85	119	1.45
40	65.41	80	32.01	120	0.72

Initials:

Lessee:

Lessor:

SCHEDULE 2-A  
 SCHEDULE OF RENTAL BALANCES  
 (to be omitted from FAA filing copy)

<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>RENTAL BALANCE PERCENTAGE</u>
1	100.00	41	64.57	81	31.17
2	99.41	42	63.74	82	30.33
3	98.45	43	62.92	83	29.50
4	97.50	44	62.09	84	28.67
5	96.55	45	61.27	85	27.84
6	95.60	46	60.46	86	27.02
7	94.66	47	59.64	87	26.20
8	93.72	48	58.83	88	25.38
9	92.78	49	58.02	89	24.56
10	91.85	50	57.22	90	23.75
11	90.92	51	56.42	91	22.94
12	90.00	52	55.62	92	22.14
13	89.07	53	54.82	93	21.33
14	88.15	54	54.03	94	20.53
15	87.24	55	53.24	95	19.74
16	86.33	56	52.45	96	18.94
17	85.42	57	51.66	97	18.15
18	84.51	58	50.88	98	17.36
19	83.61	59	50.10	99	16.57
20	82.71	60	49.33	100	15.79
21	81.81	61	48.55	101	15.01
22	80.92	62	47.65	102	14.24
23	80.03	63	46.76	103	13.46
24	79.15	64	45.86	104	12.69
25	78.26	65	44.97	105	11.92
26	77.38	66	44.09	106	11.16
27	76.51	67	43.20	107	10.39
28	75.64	68	42.32	108	9.63
29	74.77	69	41.45	109	8.87
30	73.90	70	40.57	110	8.12
31	73.04	71	39.70	111	7.37
32	72.18	72	38.83	112	6.62
33	71.32	73	37.97	113	5.87
34	70.46	74	37.11	114	5.13
35	69.61	75	36.25	115	4.39
36	68.77	76	35.39	116	3.65
37	67.92	77	34.54	117	2.91
38	67.08	78	33.69	118	2.18
39	66.24	79	32.85	119	1.45
40	65.41	80	32.01	120	0.72

Initials:

Lessee:                     

Lessor:

SCHEDULE NO. 3 TO LEASE  
 SUPPLEMENT NO. 1  
CASUALTY VALUES

Subject to the terms of the Lease, the Casualty Value of the Aircraft for the Basic Rent Dates set forth below shall be the percentage of the Lessor's Cost set forth opposite such Basic Rent Date.

<u>BASIC RENT DATE/ NUMBER</u>	<u>APPLICABLE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>APPLICABLE PERCENTAGE</u>	<u>BASIC RENT DATE/ NUMBER</u>	<u>APPLICABLE PERCENTAGE</u>
1	102.66	41	101.77	81	91.24
2	102.79	42	101.63	82	90.66
3	102.90	43	101.50	83	90.49
4	103.02	44	101.36	84	90.12
5	103.11	45	101.22	85	89.74
6	103.20	46	101.08	86	89.36
7	103.28	47	100.93	87	88.98
8	103.35	48	100.77	88	88.59
9	103.42	49	100.61	89	88.21
10	103.48	50	100.45	90	87.82
11	103.52	51	100.28	91	87.43
12	103.55	52	100.11	92	87.03
13	103.58	53	99.94	93	86.64
14	103.60	54	99.76	94	86.24
15	103.61	55	99.58	95	85.85
16	103.61	56	99.39	96	85.45
17	103.60	57	99.21	97	85.05
18	103.58	58	99.02	98	84.64
19	103.56	59	98.83	99	84.24
20	103.54	60	98.63	100	83.83
21	103.51	61	98.31	101	83.42
22	103.47	62	97.98	102	83.01
23	103.42	63	97.64	103	82.60
24	103.37	64	97.31	104	82.18
25	103.32	65	96.97	105	81.76
26	103.25	66	96.63	106	81.34
27	103.18	67	96.28	107	80.92
28	103.11	68	95.93	108	80.50
29	103.03	69	95.57	109	80.07
30	102.95	70	95.22	110	79.65
31	102.86	71	94.87	111	79.22
32	102.77	72	94.52	112	78.79
33	102.67	73	94.16	113	78.35
34	102.57	74	93.80	114	77.92
35	102.47	75	93.44	115	77.48
36	102.36	76	93.08	116	77.04
37	102.25	77	92.72	117	76.62
38	102.13	78	92.35	118	76.24
39	102.01	79	91.98	119	75.86
40	101.89	80	91.61	120	75.94

Initials:

Lessee:

Lessor:

SCHEDULE NO. 3 TO LEASE  
 SUPPLEMENT NO. 1  
CASUALTY VALUES

Subject to the terms of the Lease, the Casualty Value of the Aircraft for the Basic Rent Dates set forth below shall be the percentage of the Lessor's Cost set forth opposite such Basic Rent Date.

BASIC RENT		BASIC RENT		BASIC RENT	
DATE/ NUMBER	APPLICABLE PERCENTAGE	DATE/ NUMBER	APPLICABLE PERCENTAGE	DATE/ NUMBER	APPLICABLE PERCENTAGE
1	102.66	41	101.77	81	91.24
2	102.79	42	101.63	82	90.86
3	102.90	43	101.50	83	90.49
4	103.02	44	101.36	84	90.12
5	103.11	45	101.22	85	89.74
6	103.20	46	101.08	86	89.36
7	103.28	47	100.93	87	88.98
8	103.35	48	100.77	88	88.59
9	103.42	49	100.61	89	88.21
10	103.48	50	100.45	90	87.82
11	103.52	51	100.28	91	87.43
12	103.55	52	100.11	92	87.03
13	103.58	53	99.94	93	86.64
14	103.60	54	99.76	94	86.24
15	103.61	55	99.58	95	85.85
16	103.61	56	99.39	96	85.45
17	103.60	57	99.21	97	85.05
18	103.58	58	99.02	98	84.64
19	103.56	59	98.83	99	84.24
20	103.54	60	98.63	100	83.83
21	103.51	61	98.31	101	83.42
22	103.47	62	97.98	102	83.01
23	103.42	63	97.64	103	82.60
24	103.37	64	97.31	104	82.18
25	103.32	65	96.97	105	81.75
26	103.25	66	96.63	106	81.34
27	103.18	67	96.28	107	80.92
28	103.11	68	95.93	108	80.50
29	103.03	69	95.57	109	80.07
30	102.95	70	95.22	110	79.65
31	102.86	71	94.87	111	79.22
32	102.77	72	94.52	112	78.79
33	102.67	73	94.16	113	78.35
34	102.57	74	93.80	114	77.92
35	102.47	75	93.44	115	77.48
36	102.36	76	93.08	116	77.04
37	102.25	77	92.72	117	76.62
38	102.13	78	92.35	118	76.24
39	102.01	79	91.98	119	75.88
40	101.89	80	91.61	120	75.94

Initials: MD  
 Lessee: \_\_\_\_\_  
 Lessor: \_\_\_\_\_

SCHEDULE NO. 4 TO LEASE

SUPPLEMENT NO. 1


EARLY PURCHASE OPTION AMOUNT

Subject to the terms of the Lease, the Early Purchase Option Amount of the Aircraft for the Basic Rent Date set forth below shall be the percentage of the Lessor's Cost set forth opposite such Basic Rent Date.

<u>BASIC RENT DATE/NUMBER</u>	<u>APPLICABLE PERCENTAGE</u>
August 5, 2008 (96th)	78.38%

Initials:

Lessee: \_\_\_\_\_

Lessor: 

SCHEDULE NO. 4 TO LEASE

SUPPLEMENT NO. 1

EARLY PURCHASE OPTION AMOUNT

Subject to the terms of the Lease, the Early Purchase Option Amount of the Aircraft for the Basic Rent Date set forth below shall be the percentage of the Lessor's Cost set forth opposite such Basic Rent Date.

<u>BASIC</u> <u>RENT</u> <u>DATE/NUMBER</u>	<u>APPLICABLE</u> <u>PERCENTAGE</u>
August 5, 2008 (96th)	78.38%

Initials: hw

Lessee: \_\_\_\_\_

Lessor: \_\_\_\_\_

LEASE SUPPLEMENT NO. 2

under

AIRCRAFT LEASE dated as of August 1, 2000, by and between Fleet National Bank, as lessor ("Lessor"), and Westar Capital, Inc., as lessee ("Lessee").

Manufacturer of Airframe: Cessna Aircraft Company  
Manufacturer of Engines: Rolls-Royce Allison  
Supplier: Cessna Aircraft Company

Purchase Documents:

1. Order or Aircraft Purchase Agreement No. CJ-X-1199 between Supplier and Westar Capital, Inc. dated August 16, 1999, as amended.

2. Supplier's Warranty Bill of Sale to Lessor dated August 2, 2000 relating to the 2000 Cessna Model 750 Citation X aircraft, bearing FAA Registration Mark N800W and any related engines and parts; in form of Exhibit B to this Lease.

3. Warranty Agreements between Supplier and/or any other manufacturer or vendor and Lessee or Lessor, and, if applicable, the duly executed and authorized assignments of same to Lessor in form and substance satisfactory to Lessor.

4. FAA Bill of Sale.

5. Invoices for the Aircraft, including the Engines, from the Supplier thereof showing Lessor as the purchaser thereof, and evidence that such invoices have been / are paid in full.

6. Assignment of Purchase Agreement dated as of August 1, 2000 ("Assignment") between Lessee, Lessor and Supplier, which Assignment shall be in form and substance satisfactory in all respect to Lessor.

Aircraft Marking (Referenced in Section 11 of the Lease):

Two-inch by four-inch plaque to be maintained in cockpit and affixed in conspicuous position stating:

"This property is Owned by and Leased from Fleet National Bank, c/o Fleet Capital Corporation, 50 Kennedy Plaza, Fifth Floor, Providence, Rhode Island 02903. Any removal, alteration, disposal or other change in the condition or location of this property must be approved by the Owner-Lessor."

Similar markings to be permanently affixed to each Engine.

Additional Maintenance Provisions and Other Purchase Documents:

N/A

IN WITNESS WHEREOF, effective as of August 1, 2000, the parties hereto have each caused this Lease Supplement No. 2 to be duly executed by their respective officers, thereunto duly authorized.

FLEET NATIONAL BANK,  
AS LESSOR

By: David E. Mitchell

Name: David E. Mitchell

Title: Banking Officer

WESTAR CAPITAL, INC.,  
AS LESSEE

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

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

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

Additional Maintenance Provisions and Other Purchase Documents:

N/A

IN WITNESS WHEREOF, effective as of August 1, 2000, the parties hereto have each caused this Lease Supplement No. 2 to be duly executed by their respective officers, thereunto duly authorized.

FLEET NATIONAL BANK,  
AS LESSOR

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

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

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

WESTAR CAPITAL, INC.,  
AS LESSEE

By: Lee Ware

Name: Lee Ware

Title: President

EXHIBIT B TO AIRCRAFT LEASE AGREEMENT

AIRCRAFT BILL OF SALE

CESNA AIRCRAFT COMPANY ("Seller"), with its principal place of business at One Cessna Boulevard, Wichita, Kansas, 67215, for and in consideration of the sum of \$17,324,800.00 does hereby sell, grant, transfer, convey and deliver at Wichita, Kansas pursuant to Purchase Agreement Number CS-X-1199, dated August 15, 1999, as amended, between the Seller and Fleet National Bank, c/o Fleet Capital Corporation ("Fleet") all of its rights, title and interest in and to one Cessna Citation 750 aircraft, bearing manufacturer's serial number 750-0122 and FAA registration number N800W, equipped with two Rolls Royce Allison engines model AE3007C bearing manufacturer's serial number CAE330259 and CAE330230, avionics package (said aircraft and engines hereinafter referred to as the "Aircraft") unto Fleet, its successors and assigns forever, together with all appliances, parts, instruments, appurtenances, accessories, furnishings or other equipment or property installed in or attached to said Aircraft.

Seller hereby warrants that it is owner and holder of full legal and beneficial title to the Aircraft, free and clear of any encumbrance, lien, charge or any other right, title or interest of others whatsoever. Seller further warrants that it has good and marketable title to and full power and lawful authority to sell, grant, transfer, convey and deliver the Aircraft to Fleet National Bank, that this Warranty Bill of Sale is valid and effective to transfer and does transfer good and marketable title to the Aircraft to Fleet National Bank and that Seller will warrant and defend such title forever against all claims and demands whatsoever.

IN WITNESS WHEREOF, Seller has caused this Warranty Bill of Sale to be signed and its seal affixed this \_\_\_\_\_ day of August, 2000.

CESNA AIRCRAFT COMPANY

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

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

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

EXHIBIT C TO AIRCRAFT LEASE

OPINION LETTER  
(Aircraft Lease)

\_\_\_\_\_  
(Date)

Re: Lease Aircraft

Gentlemen:

We have acted as counsel for \_\_\_\_\_  
(hereinafter called the "Lessee"), a \_\_\_\_\_  
corporation, in connection with the transaction between the  
Lessee and Fleet National Bank (hereinafter called "Lessor"),  
whereby the Lessee will lease from the Lessor, a \_\_\_\_\_  
aircraft, Model No. \_\_\_\_\_, Serial No. \_\_\_\_\_,  
\_\_\_\_\_, FAA Registration No. N800W, equipped with  
\_\_\_\_\_ ( ) \_\_\_\_\_ engines, Model No. \_\_\_\_\_,  
\_\_\_\_\_ left S/N: \_\_\_\_\_, right  
S/N: \_\_\_\_\_, (hereinafter collectively called the  
"Aircraft") under an Aircraft Lease between the Lessee and the  
Lessor dated as of \_\_\_\_\_, \_\_\_\_\_, (said Aircraft Lease  
together with all Lease Supplements and Exhibits thereto from  
time to time collectively referred to as the "Lease"), upon and  
subject to the terms and conditions of the Lease. All  
capitalized terms used herein which are not otherwise defined  
herein shall have the meanings assigned to such terms in the  
Lease.

(Please insert a paragraph setting forth in detail the  
relationship and length of association of Counsel with the Lessee  
and a description of the review conducted by Counsel which shall,  
list among other things, the items reviewed and the inquiries and  
investigations involved in making the representations listed  
below.)

It is our opinion that:

1. Lessee is a corporation duly organized, validly  
existing and in good standing under the laws of the State of  
\_\_\_\_\_, and is qualified to do business in each  
jurisdiction in which such qualification is necessary in order  
for Lessee to carry on its business and to perform its  
obligations under the Lease, and is in good standing under the  
laws of each jurisdiction in which it is so qualified.

2. Lessee has the corporate power and authority to  
execute, deliver and perform the Lease and to lease the Aircraft  
from Lessor thereunder.

3. The leasing of the Aircraft from Lessor by Lessee, the execution and delivery of the Lease, the applicable FAA documents, Purchase Documents and other related instruments, documents and agreements, and the compliance by the Lessee with the terms thereof, and the payment and performance by Lessee of all of its obligations thereunder (a) have been duly and legally authorized by appropriate corporate action taken by Lessee (b) are not in contravention of, and will not result in a violation or breach of, any of the terms of Lessee's Certificate of Incorporation (or equivalent document) its By-Laws, or of any provisions relating to shares of the capital stock of Lessee, and (c) will not violate or constitute a breach of any provision of law, any order of any court other governmental body, agency, authority or instrumentality or any indenture, agreement or other instrument to which Lessee is a party, or by or under which Lessee or any of Lessee's property is bound, or be in conflict with, result in a breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or any instrument, or result in the creation or imposition of any Lien upon any of Lessee's property or assets.

4. The Lease, the Purchase Documents, the applicable FAA documents and related instruments, documents and agreements with respect thereto and the Aircraft have been executed by the duly authorized officer or officers of Lessee and delivered to Lessor, and constitute the legal, valid and binding obligations of Lessee enforceable in accordance with the respective terms thereof.

5. Neither the execution and delivery of the Lease, the Purchase Documents, the applicable FAA documents and related instruments, documents and agreements with respect thereto and the Aircraft, nor the payment and performance by Lessee of all of its obligations under the foregoing documents, require the consent or approval of, the giving of notice to, or the registration, filing or recording with, or the taking of any other action in respect of, the Federal Aviation Administration, the Department of Transportation or any other federal, state, local or foreign government or governmental authority or agency, except for the registration, recording and filing referred to in paragraph 8 hereof.

6. No mortgage, deed of trust, or other Lien which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Aircraft, the Airframe or any Engine, or in any manner affects or will affect adversely Lessor's right, title and interest therein.

7. There is no litigation or other proceedings now pending, or to the best of our knowledge threatened, against the Lessee, in any court or before any regulatory commission, board or other administrative governmental agency, authority, body or instrumentality which would directly or indirectly adversely affect or impair the title of Lessor to the Aircraft, or which,

if decided adversely to Lessee, would materially adversely affect the business operations or financial condition of Lessee.

8. Lessee is a "citizen of the United States" within the meaning of the Federal Aviation Act of 1958, as amended.

9. Lessee is a wholly-owned subsidiary of Western Resources, Inc.

Very truly yours,

EXHIBIT D

TO AIRCRAFT LEASE

SECURITY DEPOSIT AMENDMENT

Fleet National Bank  
c/o Fleet Capital Corporation  
50 Kennedy Plaza  
Providence, Rhode Island 02903-2305

This Security Deposit Amendment (this "Amendment") is attached to and made a part of that certain Aircraft Lease dated as of August 1, 2000 (the "Lease"), by and between Westar Capital, Inc. ("Lessee") and Fleet National Bank ("Lessor"), and is made in addition to and not in substitution for any other security agreement, security or collateral now held or hereafter acquired by Lessor.

1. Security Deposit. Concurrently with the execution and delivery of this Amendment, Lessee shall pay or cause to be paid to Lessor in immediately available funds the sum of \$2,000,000.00 (together with all accrued interest, profits and replacements thereof, the "Security Deposit") on account of and as collateral security for the payment and performance of all Obligations (hereinafter defined). The outstanding principal balance of the Security Deposit shall be held by Lessor hereunder without payment or crediting of interest to Lessee. The Security Deposit, and any proceeds or replacements thereof, may be commingled with, and shall not be segregated from, any other funds or property in the possession of Lessor. Upon the occurrence an Event of Default or Default under the Lease, Lessor may, but shall not be obligated to, apply all or any portion of the Security Deposit in payment or satisfaction of all or any portion of the Obligations, all without demand upon or notice to Lessee or any other party. Lessee shall immediately restore and replace the Security Deposit so applied (or the portion thereof, as the case may be), by payment of a like amount to Lessor immediately upon demand. Absent manifest error, the amount of the Security Deposit at any time held by Lessor reflected on the books and records of Lessor shall be final, binding and conclusive on the parties hereto.

2. Security Agreement. Lessee hereby grants to Lessor a continuing security interest in the Security Deposit, and any and all proceeds thereof, to secure the prompt payment and performance as and when due of all indebtedness, obligations and liabilities of Lessee owing or payable to Lessor of every kind and description, direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising,

regardless of how the same arise or by what instrument, agreement or book account they may be evidenced, in connection with, arising under, or relating to, the Lease and/or a certain Aircraft Lease dated as of March 26, 1996, as amended, between Lessor (as assignee of Fleet Capital Corporation) and Lessee (as assignee of The Wing Group, Limited Co.) (the "Westar 1996 Lease"), and all interest, taxes, fees, charges, expenses and attorneys fees chargeable to Lessee or incurred by Lessor, in connection with, arising under, or relating to, the Lease and/or the Westar 1996 Lease (all of the foregoing indebtedness, obligations and liabilities hereinafter collectively referred to as the "Obligations"). Lessor shall have all of the rights and remedies provided for in this Amendment and also the rights and remedies of a secured party under the Uniform Commercial Code and any applicable laws, all of which shall be deemed cumulative and not alternative and are not exclusive of any other remedies provided by law.

3. Satisfaction. Upon satisfaction of all of Lessee's Obligations to Lessor and further provided that no Event of Default or Default has occurred and is continuing, the balance of the Security Deposit, if any, then held by Lessor shall, subject to applicable law, be promptly paid to Lessee and the security interest granted therein shall terminate.

All capitalized terms used herein and not defined herein shall have the meanings set forth or referred to in the Lease. Except as specifically set forth herein, all of the terms and conditions of the Lease shall remain in full force and effect and are hereby ratified and affirmed. To the extent that the provisions of this Amendment conflict with any provisions contained in the Lease, the provisions of this Amendment shall control. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts and all said counterparts taken together shall be deemed and constitute one and the same instrument.

Dated as of: August 1, 2000

FLEET NATIONAL BANK

WESTAR CAPITAL, INC.

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

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

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

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

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

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

EXHIBIT E

TO AIRCRAFT LEASE

COMPLIANCE CERTIFICATE

Fleet National Bank  
c/o Fleet Capital Corporation  
50 Kennedy Plaza, 5th Floor  
Providence, RI 02903

Attn.: Customer Service/FS/CC

Re: Financial Covenants to Aircraft Lease dated as of  
August 1, 2000 between Fleet National Bank and  
Westar Capital, Inc. - Compliance Certificate for  
Period ending \_\_\_\_\_, 20\_\_

The undersigned hereby certifies that he/she is the Chief  
Financial Officer of Westar Capital, Inc. ("Obligor") and that as  
of the Obligor's Fiscal Year ending \_\_\_\_\_, 20\_\_, the  
Obligor is or is not in compliance with the financial covenants  
as set forth below:

<u>Covenant</u>	<u>Required Ratio/Amt.</u>	<u>Actual Ratio/Amt.</u>	<u>In Compliance (Y/N)</u>
<u>Debt Service Coverage</u>	> or = 1.50 to 1.00	_____ to 1.00	
<u>Funded Debt To Worth</u>	< or = 2.50 to 1.00	_____ to 1.00	

Dated: \_\_\_\_\_, 20\_\_

WESTAR CAPITAL, INC.

By: \_\_\_\_\_  
Name:  
Title:

EXHIBIT F TO AIRCRAFT LEASE

ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT

This Assignment, Assumption and Amendment Agreement ("Agreement") dated as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is executed by and between Westar Capital, Inc. a Kansas corporation ("Transferor"), having its principal place of business and chief executive office at 818 Kansas Avenue, Topeka, Kansas 66612, \_\_\_\_\_, a \_\_\_\_\_ ("Transferee"), having its principal place of business and chief executive office at \_\_\_\_\_, and Fleet National Bank, a national banking association with a place of business at c/o Fleet Capital Corporation, 50 Kennedy Plaza, Fifth Floor, Providence, Rhode Island 02903 ("Lessor").

W I T N E S S E T H

WHEREAS, Lessor and Transferor have entered into a certain Aircraft Lease dated as of August 1, 2000 and related Lease Supplement No. 1 dated \_\_\_\_\_, 2000 and Lease Supplement No. 2 dated August 1, 2000, all of which documents were recorded as one document by the Federal Aviation Administration ("FAA") on \_\_\_\_\_, 2000 as Conveyance No. \_\_\_\_\_ (said Aircraft Lease, Lease Supplement No. 1 and Lease Supplement No. 2 sometimes hereinafter collectively referred to as the "Lease") regarding a certain Cessna Model 750 Citation X aircraft bearing FAA Registration Mark N800W and manufacturer's Serial No. 750-0122 (hereinafter referred to as the "Aircraft"), two (2) Rolls-Royce Allison Model AE3007C aircraft engines respectively bearing manufacturer's Serial Nos. CAE 330259 and CAE 330230 (collectively, the "Engines") and certain other equipment leased under the Lease, all as more particularly described in the Lease (said Aircraft, Engines and all other equipment sometimes hereinafter collectively referred to as the "Leased Equipment"); and

[WHEREAS, the Transferor desires to assign to Transferee all of Transferor's right, title and interest in and to the Lease, any schedules, supplements, instruments, documents or agreements executed and/or delivered in connection with the Lease (collectively, the "Other Lease Documents") and the Leased Equipment; and]

[WHEREAS, the Transferee desires to accept the assignment contained herein and assume all of the duties, agreements, representations, warranties, obligations and liabilities of Transferor in and to the Lease, the Other Lease Documents and the Leased Equipment to the same extent as if the Transferee had executed the Lease and the Other Lease Documents, pursuant to the terms contained below; and]

or

[WHEREAS, Transferor intends to [merge/consolidate/reorganize] into and with Transferee on or about \_\_\_\_\_ and, as a result of such [merger/consolidation/reorganization], Transferee shall (i) succeed to all of Transferor's right, title and interest in and to the Lease, any schedules, supplements, instruments, documents or agreements executed and/or delivered in connection with the Lease (collectively, the "Other Lease Documents") and the Leased Equipment, and (ii) assume all of the duties, agreements, representations, warranties, obligations and liabilities of Transferor in and to the Lease, the Other Lease Documents and the Leased Equipment to the same extent as if Transferee had executed the Lease and the Other Lease Documents; and]

[WHEREAS, the Lessor and Transferee desire to further evidence and confirm the assumption by Transferee of all of the duties, agreements, representations, warranties, obligations and liabilities of Transferor in and to the Lease, the Other Lease Documents and the Leased Equipment to the same extent as if Transferee had executed the Lease and the Other Lease Documents, pursuant to the terms contained below; and]

WHEREAS, the Transferor and the Transferee have requested that the Lessor consent to the foregoing proposed assignment and assumption of the Lease, the Other Leased Documents and the Leased Equipment; and

WHEREAS, the Lessor has agreed to the foregoing request of the Transferor and the Transferee, but only on the terms and conditions contained in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Transferor, Transferee and Lessor hereby agree as follows:

SECTION 1. Assignment. Transferor hereby assigns and transfers to Transferee all of its right, title and interest in and to the Lease, the Other Lease Documents and the Leased Equipment.

SECTION 2. Assumption. Transferee hereby accepts the assignment contained in Section 1 hereof and also assumes and agrees to perform all of the duties, representations, warranties, agreements, indemnities, obligations and liabilities of any kind whatsoever of the Transferor in, to and under the Lease (as amended by this Agreement), the Other Leased Documents (as amended by this Agreement) and the Leased Equipment to the same extent as if the Transferee had executed the Lease and the Other Lease Documents as of the initial execution date of the Lease for all purposes. Without limiting the generality of the foregoing, Transferee hereby further (i) agrees to be bound by all of the terms and conditions of the Lease (as amended by this Agreement)

and the Other Lease Documents (as amended by this Agreement), and also accepts all of the Transferor's rights, interest, duties, representations, warranties, agreements, indemnities, obligations and liabilities of any kind whatsoever thereunder for all purposes from the effective date of the Lease until any and all such duties, representations, warranties, agreements, indemnities, obligations and liabilities of any kind whatsoever under the Lease (as amended by this Agreement) and the Other Lease Documents (as amended by this Agreement) have been fully performed and/or paid, as the case may be, (ii) agrees that Transferee shall be deemed the "Lessee" under the terms of the Lease (as amended by this Agreement) and any Other Lease Documents (as amended by this Agreement) for all purposes effective as of the date hereof, provided, however, that the Transferee shall be fully obligated for, and bound by, any and all duties, representations, warranties, agreements, indemnities, obligations and liabilities of any kind whatsoever under the Lease (as amended by this Agreement) and the Other Lease Documents (as amended by this Agreement) from the effective date of the Lease until any and all such duties, representations, warranties, agreements, indemnities, obligations and liabilities of any kind whatsoever under the Lease (as amended by this Agreement) and the Other Lease Documents (as amended by this Agreement) have been fully performed and/or paid, as the case may be, (iii) unconditionally, irrevocably and fully accepts the Aircraft for lease under the Lease (as amended by this Agreement) and the Other Lease Documents (as amended by this Agreement) without any further action of any kind whatsoever, and (iv) agrees that the Lessor may proceed against the Transferee for any breach by Transferee of any terms or conditions of the Lease (as amended by this Agreement) and/or any Other Lease Documents (as amended by this Agreement) pursuant to the terms and conditions of the Lease (as amended by this Agreement) and/or any Other Lease Documents (as amended by this Agreement).

[SECTION 3. Release of Liability of Transferor. Transferor shall be released from any and all duties, obligations and liabilities under the Lease and the Other Lease Documents effective upon the date that Lessor receives (i) this Agreement duly executed by the Transferor and the Transferee, and (ii) any other documents or instruments that Lessor requests pursuant to the terms and conditions of Section 6(r) and/or Section 16 of the Lease. - The foregoing release of the Transferor of any obligations under the Lease and any Other Lease Documents shall be subject to the determination of the Lessor in its sole discretion at the time of any proposed assumption and assignment transaction, and the Lessor shall have no obligation of any kind whatsoever to agree to any such release of the Transferor. In the event that the Lessor determines not to release the Transferor under the terms of the Lease and any Other Lease Documents, this Section 3 shall be revised by the Lessor accordingly.]

SECTION 4. Event of Default under the Lease. Transferor and Transferee hereby acknowledge and agree that any breach by Transferor or Transferee of any representation, warranty or agreement contained in this Agreement shall be an Event of Default under the Lease or any Other Lease Documents for all purposes.

SECTION 5. Amendments to Lease and Other Lease Documents.

(a) Effective as of the date hereof, and except as otherwise provided in this Agreement, the Lease and the Other Lease Documents are hereby amended so that the terms "Lessee", and/or "Westar Capital, Inc." as used in the Lease or any of the Other Lease Documents shall mean, and be, " \_\_\_\_\_ " for all purposes.

(b) Effective as of the date hereof, the Lease and the Other Lease Documents are hereby further amended so that any notices required to be sent to the Transferee under the Lease and/or the Other Lease Documents shall be sent to the Transferee at the address set forth in the initial paragraph of this Agreement.

(c) The Lease and any Other Lease Documents are hereby further amended so that (i) this Agreement and any documents, agreements or instruments executed and/or delivered in connection herewith, and any indebtedness and/or obligations contemplated hereunder shall be included in, among other things, the obligations and indebtedness secured or covered by the applicable Lease and any Other Lease Documents, including, without limitation, the Security Deposit Amendment, for all purposes and (ii) the applicable modifications and/or amendments contained in this Agreement and any documents, agreements or instruments executed and/or delivered in connection herewith shall apply to such Lease and any Other Lease Documents as if set forth therein.

SECTION 6. Representations, Warranties and Agreements of Transferee.

Without limiting the generality of any terms or conditions of the Lease (including, without limitation, any representations and warranties contained therein), Transferee hereby represents, warrants and agrees for the benefit of the Lessor as follows:

(a) Due Organization of Transferee. Transferee has the form of business organization indicated in the first paragraph of this Agreement and is duly organized and existing in good standing under the laws of the State of its organization and is duly qualified to do business wherever necessary to carry on its present business and operations and to own its property.

(b) Due Authorization of Transferee; No Violation by Transferee. This Agreement, the Lease and the Other Lease

Documents have been duly authorized by all necessary action on the part of Transferee consistent with its form of organization, do not require any further shareholder, member or partner approval, do not require the approval of, or the giving notice to, any Federal, state, local or foreign governmental authority (including, without limitation, the Department of Transportation and/or the FAA) and do not contravene any law binding on Transferee or contravene any provision of, or constitute a default or result in the creation of any Lien other than a permitted Lien under any certificate or articles of incorporation or organization or by-laws or partnership certificate or agreement, or any agreement, indenture, or other instrument to which Transferee is a party or by which it may be bound.

(c) Enforceability of Agreement. This Agreement has been duly executed and delivered by authorized officers or partners of Transferee and this Agreement, the Lease and the Other Lease Documents constitute legal, valid and binding obligations of Transferee enforceable in accordance with their respective terms.

(d) Financial Statements of Transferee. Transferee agrees to furnish Lessor (i) as soon as available, and in any event within one hundred twenty (120) days after the last day of each fiscal year of Transferee, a copy of the balance sheets of Transferee as of the end of such fiscal year, and related statements of income and retained earnings of Transferee for such fiscal year, all in reasonable detail prepared in accordance with generally accepted accounting principles consistently applied and certified by an independent certified public accounting firm of recognized standing and which is reasonably acceptable to lessor, each on a comparative basis with corresponding statements for the prior fiscal year; provided, however, that in the event Western Resources, Inc. ("Western") no longer owns at least fifty percent (50%) of the voting capital stock and voting control of Transferee, Transferee shall have such balance sheets and statements certified by an independent certified public accounting firm of recognized standing which is reasonably acceptable to Lessor, and which certification shall commence with the fiscal year in which Western no longer owns said fifty percent (50%) voting capital stock and voting control of Transferee and shall continue for each fiscal year thereafter; provided, further, however, that in the event of any permitted Reorganization, the surviving entity shall have such balance sheets and statements certified by an independent certified public accounting firm of recognized standing which is reasonably acceptable to Lessor, and which certification shall commence with the fiscal year in which the permitted Reorganization occurs and shall continue for each fiscal year thereafter; (ii) within sixty (60) days after the last day of each fiscal quarter of Transferee (except the last fiscal quarter of any fiscal year), a copy of the balance sheet of Transferee as of the end of each such quarter, and statement of income and retained earnings covering the fiscal year to date of Transferee, each on a comparative

basis with the corresponding period of the prior year, all in reasonable detail and certified by the treasurer or principal financial officer of Transferee and (iii) within thirty (30) days after the date on which they are filed, all reports, forms and other filings, if any, required to be made by Transferee to the Securities and Exchange Commission ("SEC") or (in respect of the Aircraft or the Lease) the FAA, including, without limitation, any SEC Form 10-Q and related reports or documents. All credit, financial and other information provided by Transferee or at Transferee's direction is, and all such information hereafter furnished will be, true, correct and complete in all material respects.

(e) Furnishing of Information. Transferee agrees that it shall furnish from time to time to Lessor such information relating to Transferee, and its subsidiaries and/or affiliates, financial or otherwise, as Lessor shall reasonably request.

(f) Location of Chief Executive Offices. The chief executive offices and principal place of business of Transferee is \_\_\_\_\_, and Transferee agrees to give Lessor thirty (30) days' prior written notice of any relocation of said chief executive offices or principal place of business from its present location, or of any change in its name or identity.

(g) Documents on Board. A current and valid Registration Application or Certificate of Aircraft Registration, and a copy of the Lease and the Lease Supplements, will be kept on board the Aircraft at all times during the term of the Lease.

(h) Selection of Aircraft. Lessor has not selected, manufactured or supplied the Aircraft or any other Leased Equipment to Transferee and has acquired the Aircraft and any other Leased Equipment subject hereto solely in connection with the Lease and Transferee has received and approved the terms of any purchase order or agreement with respect to the Aircraft and any other Leased Equipment.

(i) Litigation relating to Transferee. There are no proceedings pending or, so far as the officers of Transferee know, threatened against or affecting Transferee or any of its property before any court, administrative officer or administrative agency which would have a material and adverse effect on the title of Lessor to the Aircraft or to any other Leased Equipment, or which, if decided adversely affect the financial condition or operations of Transferee or the ability of Transferee to perform its obligations under the Lease or any Other Lease Documents. Further, Transferee is not in default under any material obligation for the payment of borrowed money, for the deferred purchase price of property, or for the payment of any rent which, either individually or in the aggregate, would have the same such effect.

(j) No Adverse Mortgages. The right, title and interest of Lessor in and to the Aircraft or any other Leased Equipment and the Rent will not be adversely affected or impaired by the terms of any mortgage, loan agreement or indenture or any other contract, agreement or instrument to which Transferee is a party, or under which it or any of its property is or may become bound. In addition, no mortgage, deed of trust, or other Lien which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Transferee, now attaches or hereafter will attach to the Aircraft, the Airframe, any Engine or any other Leased Equipment, or in any manner affects or will affect adversely Lessor's right, title and interest therein.

(k) Taxes. Transferee has filed or caused to be filed and will continue to file all Federal, state and local tax returns which are required to be filed, and has paid or caused to be paid and will continue to pay all taxes shown to be due and payable on such returns or (except to the extent being contested in good faith and for the payment of which adequate reserves have been provided) on any assessment received by Transferee, to the extent that such taxes have heretofore or in the future become due and payable.

(l) Filing. Except for the registration of the Aircraft with the FAA and except for filing and recording of the applicable documents pursuant to the Federal Aviation Act no further action, including any filing or recording of any document (except for any financing statement under Article 9 of the UCC of any applicable jurisdiction to be filed pursuant hereto) is necessary or advisable in order to establish and perfect Lessor's title to and interest in, the Aircraft and any other Leased Equipment, as against Transferee and/or any Person in any applicable jurisdiction.

(m) Good Title. Lessor will be the owner of the Aircraft as of the Acceptance Date and will have good and marketable title to the Aircraft, free and clear of all Liens other than any Liens created in favor of Lessor under the Lease.

(n) Records. Transferee has reviewed all Records with respect to the operation and maintenance of the Aircraft prior to the Acceptance Date and such Records have been kept in accordance with the requirements of the FAA rules and regulations and industry standards. Transferee shall maintain all such Records during the Term of the Lease in accordance with the requirements of the FAA, and any manufacturer's maintenance programs or requirements as well as Sections 8 and 11 of the Lease.

(o) Claims. Transferee has no pending claims, and does not have knowledge of any facts upon which a future claim may be based, against any prior owner, the Manufacturer or Supplier of the Aircraft or of any Engine or part thereof or of any other Leased Equipment for breach of warranty or otherwise.

(p) U.S. Citizen. The Transferee is and will continue to be a "citizen of the United States" within the meaning of the Federal Aviation Act.

(q) Engines. Each of the Engines has 750 or greater rated takeoff horsepower or the equivalent of such horsepower.

(r) Corporate Existence; Merger, Sale, etc. Transferee shall at all times maintain its corporate existence and, shall not consolidate, reorganize or merge with or into any other corporation or Person (any of the foregoing events, each individually or all collectively, hereinafter referred to as the "Reorganization") without the prior written consent of Lessor unless immediately subsequent to such proposed Reorganization (i) the surviving entity of any such proposed Reorganization shall be the Transferee, (ii) the financial condition of any such surviving entity (whether Transferee or any other Person), as determined by Lessor, shall be at least equal to or better than Transferor's financial condition as evidenced by the Transferor's balance sheet dated December 31, 1999, (iii) the Security Deposit and the Security Deposit Amendment shall, in Lessor's determination, remain in full force and effect and shall secure and/or cover all of the obligations and liabilities of any such surviving entity under the Lease for all purposes, and (iv) no Default or Event of Default under the Lease shall occur or result from any such proposed Reorganization; provided, however, as a result of any permitted Reorganization, the surviving entity (if other than the Transferee) shall execute and deliver to Lessor the Assumption Agreement, which Assumption Agreement shall be in substantially the form attached to the Lease as Exhibit F thereto and shall provide for, among other things, an effective assumption of the Lease, and the due and punctual performance and observation of each term and condition of the Lease, and the surviving entity (if other than Transferee) shall execute and deliver to Lessor an agreement acceptable to the Lessor, in its sole discretion, containing an effective ratification of the Security Deposit and the Security Deposit Amendment for the benefit of the Lessor, and the due and punctual performance and observation of each term and condition of the Security Deposit Amendment; provided, further, however, that the Assumption Agreement from the surviving entity (if other than the Transferee) and the ratification agreement from the surviving entity (if other than the Transferee) shall be delivered to the Lessor prior to any such permitted Reorganization. Transferee shall not sell, convey, transfer or lease, as applicable, all or a substantial portion of its assets to any Person without the prior written consent of Lessor. Transferee (or any holder of any of Transferee's stock) shall not sell, convey or transfer an aggregate amount of more than forty-nine percent (49%) of Transferee's outstanding stock at any time to any Person (whether by one (1) transaction or a series of transactions) without the prior written consent of Lessor; provided, however, that no Default or Event of Default under the Lease shall occur or result from any permitted or proposed sale

(or any other permitted or proposed disposition) of Transferee's stock; provided, further, however, that any sales of stock of Transferee which relate solely to the separation of Western's electric utility business from its non-electric business as contemplated in and relating to Western's March 29, 2000 press release/announcement (any such sales of stock of Transferee as they relate solely to such separation hereinafter referred to as the "Transferee Stock Separation Sales") are permitted without the prior written consent of the Lessor but only so long as any such proposed Transferee Stock Separation Sales do not result in the occurrence of any Default or Event of Default under the Lease and in the event that any such proposed Transferee Stock Separation Sales would result in the occurrence of any Default or Event of Default under the Lease, any such proposed Transferee Stock Separation Sales shall be subject to the prior written consent of Lessor. Transferee shall not become the subject of, or shall not engage in, a leveraged buy out without the prior written consent of Lessor.

(s) Debt Service Coverage. Transferee shall maintain Debt Service Coverage (as such term is defined in the Lease) of not less than 1.50 to 1.00 as of the end of the Transferee's Fiscal Year (as such term is defined in the Lease) ending December 31, 2000 and as of the end of each Fiscal Year of the Transferee thereafter throughout the remaining Term of the Lease. The foregoing calculation and/or determination shall be made in accordance with generally accepted accounting principles applied on a consistent basis and shall also be determined as of the end of each such Fiscal Year for the 12 month period immediately preceding such determination date.

(t) Funded Debt To Worth. Transferee shall maintain a ratio of Funded Debt (as such term is defined in the Lease) to Worth (as such term is defined in the Lease) of not more than 2.50 to 1.00 as of the end of Transferee's Fiscal Year ending December 31, 2000 and as of the end of each Fiscal Year of the Transferee thereafter throughout the remaining Term of the Lease. The foregoing calculation and/or determination shall be made in accordance with generally accepted accounting principles applied on a consistent basis and shall also be determined as of the end of each such Fiscal Year for the 12 month period immediately preceding such determination date.

(u) Fiscal Year. Transferee shall not change its Fiscal Year without the prior written consent of the Lessor.

(v) Compliance Certificate. Transferee shall furnish, within 120 days after the end of the Transferee's Fiscal Year ending December 31, 2000 and as of the end of each Fiscal Year of the Transferee thereafter throughout the remaining Term of the Lease, a Compliance Certificate (as such term is defined in the Lease), certified by Transferee's chief financial officer, as to the Transferee's compliance with Section 6(s), Section 6(t) and Section 6(u) of this Agreement.

(w) Accuracy of Financial Statements. All balance sheets, statements of profit and loss and other financial data that have been delivered to Lessor with respect to Transferee and/or Western (i) are complete and correct in all material respects, (ii) accurately present the financial condition of Transferee and/or Western on the dates for which, and the results of its operation for the periods for which, the same have been furnished; provided that for purposes of this Section 6(w), a Protection One Change (as such term is defined in the Lease) shall not result in any such financial statements being deemed to be incorrect, inaccurate or not having been prepared in accordance with generally accepted accounting principles, and (iii) have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered thereby. In addition, all balance sheets disclose all known liabilities, direct and contingent, as of their respective dates, and there has been no material adverse change in the condition of Transferee and/or Western, financial or otherwise, since the date of the most recent financial statements delivered to Lessor with respect to Transferee and/or Western.

SECTION 7. Representations and Warranties of Transferor. Transferor represents and warrants to Lessor that (i) Transferor's execution and delivery of this Agreement and any other documents and instruments executed or delivered in connection therewith have been duly authorized and executed on its part and will be a legal, valid, binding and enforceable agreement against Transferor in accordance with its terms; (ii) Transferor has full power and authority to execute, deliver and perform its obligations under this Agreement, and any other documents and instruments executed or delivered in connection therewith; and, (iii) all required consents for Transferor's execution, delivery and performance of this Agreement and any other documents and instruments executed or delivered in connection therewith have been duly obtained.

SECTION 8. Lessor Consent. In consideration of the Transferor's and the Transferee's respective representations, warranties and agreements contained in this Agreement, Lessor hereby consents to the assignment and assumption of the Lease, the Other Lease Documents and the Leased Equipment, (and the release of the Transferor from any liability under the Lease and any Other Lease Documents - the foregoing release of the Transferor of any obligations under the Lease and any Other Lease Documents shall be subject to the determination of the Lessor in its sole discretion at the time of any proposed assumption and assignment transaction as set forth in Section 3 of this Agreement, and the Lessor shall have no obligation of any kind whatsoever to agree to any such release of the Transferor,) pursuant to the terms and conditions of this Agreement.

Nothing contained in this Section 8 or otherwise shall be deemed an agreement by the Lessor or any other party to waive or forgive any indebtedness, indemnities, rights, remedies or

recourses available to the Lessor or to any other party in connection with the Lease, the Other Lease Documents, this Agreement, the Security Deposit Amendment, the Security Deposit and/or any other documents, agreements or instruments in connection therewith, including, without limitation, waiving any of the terms and conditions of Section 16 of the Lease, or releasing any collateral or releasing or terminating the Security Deposit Amendment and/or the Security Deposit or any of the obligations of the Transferor or the Transferee thereunder, as the case may be, or waiving or releasing any rights, remedies or recourses of the Lessor (or any other party) relating to any of the foregoing.

SECTION 9. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed and constitute one and the same instrument.

SECTION 10. Severability of Provisions. If any provision in this Agreement or any part thereof is held invalid or unenforceable, such invalidity or unenforceability shall not affect or impair the validity or the enforceability of the remaining provisions, or any part thereof, of this Agreement.

SECTION 11. Entire Agreement. This Agreement, together with the Lease and the Other Lease Documents, constitute the entire agreement between the parties hereto, and supersede all prior or contemporaneous agreements, communications and understandings, both written or oral with respect to the subject matter of this Agreement. This section shall not be construed to apply to any other existing or future financing arrangements between the Transferor or the Transferee and the Lessor, as the case may be, if any, which are not the subject of this Agreement.

SECTION 12. Section Titles; Construction. The section titles contained in this Agreement are for convenience only and are without substantive meaning or content of any kind and shall not be considered part of this Agreement. Unless the context otherwise requires, singular nouns and pronouns, when used herein, shall be deemed to include the plural and vice versa, and impersonal pronouns shall be deemed to include the personal pronoun of the appropriate gender.

SECTION 13. No Waiver. THIS AGREEMENT SHALL NOT BE MODIFIED, ALTERED, AMENDED OR WAIVED IN WHOLE OR IN PART EXCEPT IN WRITING DULY SIGNED BY EACH PARTY OR BY EACH PARTY'S AUTHORIZED REPRESENTATIVE. ANY WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE FOR WHICH IT IS GIVEN. NO FAILURE TO EXERCISE, OR DELAY IN EXERCISING, ANY RIGHT HEREUNDER SHALL OPERATE AS A WAIVER THEREOF; NOR SHALL ANY FAILURE TO EXERCISE, OR PARTIAL EXERCISE OF, ANY RIGHT HEREUNDER PRECLUDE ANY OTHER OR FURTHER EXERCISE THEREOF OR THE EXERCISE OF ANY OTHER RIGHT.

SECTION 14. Binding Nature. This Agreement shall be binding upon the Transferor and the Transferee and their respective representatives, successors, transferees and assigns and the benefits hereof shall extend to and include the Lessor and its successors, representatives, transferees and assigns.

SECTION 15. No Amendments of Lease. Except as expressly modified or amended herein, the terms and conditions of the Lease and any Other Lease Documents shall remain in full force and effect in accordance with their respective original tenor. Without limiting the generality of the foregoing or any other terms of this Agreement, nothing contained herein shall be interpreted or construed in any way whatsoever to limit the various provisions of the Lease and any Other Lease Documents except as otherwise expressly provided herein. In the event that any term or provision of this Agreement conflicts with any term or provision of the Lease or any Other Lease Documents, the applicable terms and provisions of this Agreement shall control for all purposes. Further, in the event that any representations, warranties or agreements contained in Section 6 of this Agreement conflict with any term or condition of the Lease or any Other Leased Documents, the applicable representation, warranty or agreement contained in Section 6 of this Agreement shall control for all purposes.

SECTION 16. Survival of Representations; Defined Terms. All representations, warranties and agreements made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement, the Lease, the Other Lease Documents and all other documents or instruments executed and/or delivered in connection therewith. Terms used herein and not otherwise defined herein shall have the meanings set forth in the Lease or in any Other Lease Documents.

SECTION 17. Governing Law; Consent to Jurisdiction. This Agreement shall be deemed to have been executed in Rhode Island by virtue of the Lessor having countersigned and accepted this Agreement in Rhode Island and shall be deemed to be performed in Rhode Island by virtue of the payment of Rent to be made to Lessor in Rhode Island, and this Agreement shall be delivered for closing purposes in Lessor's office at 50 Kennedy Plaza, Providence, Rhode Island. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Rhode Island, without giving effect to principles of conflicts of law or choice of law, including all matters of construction, validity and performance. Transferor and Transferee hereby irrevocably consent and agree that any legal action, suit or proceeding arising out of or in any way in connection with this Agreement may be instituted or brought in the courts of the State of Rhode Island or the United States District Court for the District of Rhode Island, as Lessor may elect, and by execution and delivery of this Agreement, Transferor and Transferee hereby irrevocably accept and submit

to, for themselves and in respect of their respective property, generally and unconditionally, the non-exclusive jurisdiction of any such court, and to all proceedings in such courts. TRANSFEREE AND TRANSFEROR ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT IS A COMMERCIAL TRANSACTION. TRANSFEREE AND TRANSFEROR ALSO HEREBY KNOWINGLY, VOLUNTARILY AND INTELLIGENTLY WAIVE ALL OF THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY LITIGATION ARISING HEREFROM OR IN RELATION HERETO.

SECTION 18. Truth in Leasing. THE AIRCRAFT, AS EQUIPMENT, BECAME SUBJECT TO THE MAINTENANCE REQUIREMENTS OF PART 91 OF THE FEDERAL AVIATION REGULATIONS ("FARS") UPON THE REGISTRATION OF THE AIRCRAFT WITH THE FAA. TRANSFEREE CERTIFIES THAT DURING THE 12 MONTHS (OR PORTION THEREOF DURING WHICH THE AIRCRAFT HAS BEEN SUBJECT TO U.S. REGISTRATION) PRECEDING THE EXECUTION OF THE LEASE, THE AIRCRAFT HAS BEEN MAINTAINED AND INSPECTED UNDER PART 91 OF THE FARS. TRANSFEREE CERTIFIES THAT THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED UNDER PART 91 OF THE FARS FOR OPERATIONS TO BE CONDUCTED UNDER THE LEASE. UPON EXECUTION OF THE LEASE, AND DURING THE TERM HEREOF, THE TRANSFEREE, WHOSE NAME AND ADDRESS ARE SET FORTH IMMEDIATELY BELOW, ACTING BY AND THROUGH THE SIGNATORY HERETO, WHO EXECUTES THIS SECTION SOLELY IN HIS CAPACITY OF THE TRANSFEREE SET FORTH BELOW HIS SIGNATURE, CERTIFIES THAT TRANSFEREE SHALL BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT UNDER THE LEASE (WHILE IT HAS POSSESSION OF THE AIRCRAFT), UNLESS THE AIRCRAFT IS SUBLEASED TO AN AIR CARRIER OR AIR TAXI OPERATOR CERTIFICATED UNDER PART 121 OR PART 135, RESPECTIVELY, OF THE FARS IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. THE TRANSFEREE FURTHER CERTIFIES THAT IT UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FARS, PROVIDED HOWEVER, THAT THE TRANSFEREE SHALL NOT BE DEEMED TO BE RESPONSIBLE FOR THE OPERATIONAL CONTROL OF THE AIRCRAFT FOR SO LONG AS THE AIRCRAFT IS IN POSSESSION OF ANY SUBLESSEE THAT IS CERTIFICATED UNDER PART 121 OR PART 135 OF THE FARS IF AND TO THE EXTENT SUCH SUBLEASE IS PERMITTED HEREUNDER. AN EXPLANATION OF FACTORS BEARING ON OPERATIONAL CONTROL AND PERTINENT FARS CAN BE OBTAINED FROM THE NEAREST FEDERAL AVIATION FLIGHT STANDARD DISTRICT OFFICE, GENERAL AVIATION DISTRICT OFFICE OR AIR CARRIER DISTRICT OFFICE.

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IN WITNESS WHEREOF, the parties have executed this Agreement by their respective duly authorized representatives as of the date and year first above written.

TRANSFEROR:

WESTAR CAPITAL, INC.

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

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

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

TRANSFeree:

\_\_\_\_\_

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

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

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

LESSOR:

FLEET NATIONAL BANK

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

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

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

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