

CONFIDENTIAL

WESTERN RESOURCES, INC.
BOARD OF DIRECTORS
July 15, 1998
10:00 A.M.

The regular meeting of the Board of Directors of Western Resources, Inc. (the "Company") was held at the General Offices of the Company, Topeka, Kansas, on July 15, 1998.

All members of the Board of Directors were present, with the exception of Mr. David H. Hughes. Chairman John E. Hayes, Jr., presided over the meeting. Secretary Richard D. Terrill acted as secretary of the meeting.

The Chairman requested additions or corrections of the minutes of the May 11, 1998 Annual Meeting of the Shareholders, and the May 11, 1998 and June 5, 1998 Board of Directors meetings. There being none, the minutes were unanimously approved.

Various officers of the Company and its subsidiaries reported on the operation of the Company.

The Chairman called on Mr. Otto L. Maynard, President and Chief Executive Officer, Wolf Creek Nuclear Operating Corporation, who reported on the operations of the Wolf Creek Generating Station.

Business opportunities were discussed.

Mr. Louis W. Smith was excused from the meeting.

The Chairman discussed the Company's offer to acquire the Kansas City Royals.

Mr. Smith rejoined the meeting.

The Chairman called on Mr. David C. Wittig, President and Chief Executive Officer, who recommended that the Board increase the authorization of Westar Capital, Inc. in connection with the potential investment in certain paging companies as presented to the meeting.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that the officers of the Company be, and hereby are, authorized to provide additional funding to Westar Capital, Inc. at its request, in amount not to exceed \$350 million for the purpose of investing in the paging industry, such funding to be in such form, either equity or debt, as the officers of the Company shall determine to be appropriate; and further

RESOLVED, that, without limiting any of the foregoing, each of the officers of the Company be, and each of them hereby is, authorized, directed and empowered to take any and all other actions and to execute, deliver, perform or file all such agreements, instruments and documents as he or she may deem necessary, convenient, advisable or appropriate in order to give effect to the intent of these resolutions and that the execution by any such officers of any such agreement, instrument or

document or the doing by any of them of any act in connection with the foregoing matters shall establish conclusively their authority therefor from the Company and the approval and ratification by the Company of such agreement, instrument or document and the actions so taken; and that any and all actions heretofore taken, and any and all things heretofore done by any officer or director of the Company in furtherance of and consistent with the matters authorized by the foregoing resolutions be, and hereby are, ratified, approved and confirmed as authorized and valid acts taken on behalf of the Company.

Mr. Wittig then reviewed the terms of a proposed transaction with Mobilfone Paging. Mr. Wittig recommended that the Board authorize additional funding of Westar Capital, Inc. in connection with the transaction.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that the officers of the Company be, and hereby are, authorized to provide additional funding to Westar Capital, Inc. at its request, in amount not to exceed \$40 million, such funding to be in such form, either equity or debt, as the officers of the Company shall determine to be appropriate; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to file or cause to be filed appropriate filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 in connection with the proposed acquisition of Mobile Radio Communications, Inc., dba Mobilfone Paging; and further

RESOLVED, that, without limiting any of the foregoing, each of the officers of the Company be, and each of them hereby is, authorized, directed and empowered to take any and all other actions and to execute, deliver, perform or file all such agreements, instruments and documents as he or she may deem necessary, convenient, advisable or appropriate in order to give effect to the intent of these resolutions and that the execution by any such officers of any such agreement, instrument or document or the doing by any of them of any act in connection with the foregoing matters shall establish conclusively their authority therefor from the Company and the approval and ratification by the Company of such agreement, instrument or document and the actions so taken; and that any and all actions heretofore taken, and any and all things heretofore done by any officer or director of the Company in furtherance of and consistent with the matters authorized by the foregoing resolutions be, and hereby are, ratified, approved and confirmed as authorized and valid acts taken on behalf of the Company.

The Chairman called on Mr. Steven L. Kitchen, Executive Vice President and Chief Financial Officer, who reviewed the financials of the Company. Mr. Kitchen then proposed that the Board authorize the payment of the Company's common stock and normal preferred stock dividends.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that there be, and hereby is, declared out of the net earnings and/or surplus of the Company available for dividends, a dividend payable October 1, 1998, to holders of record at the close of

business September 9, 1998, in proportion to their respective holdings for the Preferred Stocks of the Company as follows:

- 1.0625 per share on the 4-1/4% Series Preferred
- 1.125 per share on the 4-1/2% Series Preferred
- 1.25 per share on the 5% Series Preferred

RESOLVED, that there be, and hereby is, declared out of the net earnings and/or surplus of the Company available for dividends, a dividend of fifty-three and one-half cents (\$3.5¢) per share on the \$5.00 par value common stock; payable October 1, 1998, to holders of record at the close of business September 9, 1998.

The Chairman called on Mr. Thomas R. Clevenger, Chairman of the Audit and Finance Committee, who presented the report of the Committee. Mr. Clevenger stated that the Committee recommended the adoption of resolutions relating to the Company's short-term borrowing authority.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that the officers of the Company be, and hereby are, authorized to borrow, on behalf of the Company, from time to time during the period January 1, 1999 through December 31, 2001, from any bank or banks, trust company or trust companies, or other lending institutions or through the issuance of promissory notes or commercial paper, such amounts of money not to exceed \$1,500,000,000 at any one time outstanding, for such periods of time not exceeding twelve (12) months after the date thereof, and upon such other terms and at such rate or rates of interest as may to them in their discretion seem to be necessary or advisable, and to execute notes in respect thereto in the name of the Company to evidence the same; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized and directed, on behalf of the Company, to prepare, execute and file such applications, notifications, declarations, petitions and other documents as may be necessary or advisable to obtain approval or authorization for the contracting of such loans and the issuance of such notes, from the Federal Energy Regulatory Commission, or any other governmental or state authority deemed necessary or advisable therefor, and to execute and deliver any and all such papers and documents and to do or cause to be done any and all such acts or things as they shall deem to be necessary or advisable to carry out the purposes of the foregoing resolutions.

Mr. Clevenger further stated that the Committee recommended that the Board adopt resolutions relating to additional debt financing of the Company.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that the officers of the Company be, and hereby are, authorized to proceed with obtaining additional public or private debt financing in an aggregate amount not exceeding \$800,000,000 by means of the sale of senior notes or debentures either directly or through a special purpose trust or subsidiary (the "Securities"); and further

RESOLVED, that, if the officers of the Company deem it advisable to proceed with the sale of Securities, such officers be, and hereby are, authorized to prepare and to join with the individual directors of the Company in executing and filing, or causing to be filed, with the Securities and Exchange Commission a registration statement or statements and amendments thereto under the Securities Act of 1933 (the Securities Act), with respect to up to \$800,000,000 principal amount of Securities, including, but not limited to a "shell registration" filed pursuant to Rule 415 promulgated under the Securities Act, and to determine the principal amount of one or more series of such Securities, the date or dates on which such Securities shall mature (which shall not be later than 40 years from the date of issuance) and whether such Securities shall be sold publicly or privately by the Company and, if publicly, whether on a competitive bidding or negotiated basis; and further

RESOLVED, that Richard D. Terrill, Vice President, Law and Corporate Secretary of the Company, and Steven L. Kitchen, Executive Vice President and Chief Financial Officer of the Company, be and each hereby is designated an agent for service of the Company to receive notices and communications from the Securities and Exchange Commission relating to each above-mentioned registration statement; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to make, or join with other persons in making, such certificates and opinions as may be required by any indenture pertaining to the Securities and to file such certificates and opinions with the Trustee thereof, in connection with the application and request of the Company for the issuance, authentication and delivery of such Securities; and further

RESOLVED, that in connection with the issuance of each series of Securities the Executive Vice President and Chief Financial Officer or the Vice President, Finance, acting with the concurrence of the President and Chief Executive Officer be, and each hereby are, authorized and directed for and on behalf of the Company, to select an investment banking firm to act as managing underwriter or private placement agent and to negotiate with such investment banking firm and execute an underwriting agreement or private placement agreement which sets forth with respect to each such series of Securities the principal amount, the interest rate, any premium or discount, the redemption price or prices, the issue date and maturity date and such other terms and conditions as they deem appropriate in their sole discretion, such terms and conditions being hereby approved by this Board; and further

RESOLVED, that the Chairman of the Board, the President, the Executive Vice President and Chief Financial Officer, and any Vice President of the Company, be, and each hereby is, authorized to adopt a securities resolution or resolutions on behalf of the Company relating to the establishment of any Securities or Series thereof which may be necessary or appropriate; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to negotiate and enter into an indenture or other documents necessary or appropriate for the issuance of the Securities, and to appoint a trustee therefor, if appropriate; and further

RESOLVED, that the Chairman of the Board, the President and Chief Executive Officer, or any Vice President of the Company be, and

each hereby is, authorized and directed to execute manually or by facsimile the Securities in the aggregate amount of up to \$800,000,000, and that the Secretary or an Assistant Secretary of the Company be, and each hereby is authorized and directed to affix the corporate seal, or a facsimile thereof, to said Securities, to attest said Securities manually or by facsimile, and that the officers of the Company be, and hereby are, authorized and directed to execute and deliver one or more supplemental indentures to the Trustee, and to deliver the Securities to said Trustee for authentication under said indenture, and that said Trustee be and it hereby is, authorized and requested to authenticate said Securities pursuant to the terms of said indenture and when so executed to deliver the same to or upon the order or orders of the Chairman of the Board, the President, any Vice President, or the Corporate Secretary of the Company; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to make, or join with other persons in making, such certificates and opinions as may be required by any indenture relating to the Securities and to file such certificates and opinions with the Trustee, in connection with the application and request of the Company for the issuance, authentication and delivery of such Securities; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized and empowered to execute and to make the necessary filings to receive regulatory authority from the State Corporation Commission of the State of Kansas and such other regulatory authority as may be necessary or required to proceed with any of the transactions described above and to execute and file any amendment or amendments to said applications and such other exhibits and documents as may be deemed necessary or desirable to obtain any requisite order of said Commissions; and further

RESOLVED, that if it is desirable and in the best interest of this Company that its securities be qualified or registered for sale in various states; the Chairman of the Board, the President and Chief Executive Officer, any Vice President, and the Secretary or an Assistant Secretary hereby are authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the securities of the Company as said officers may deem advisable; that said officers are hereby authorized to perform on behalf of the Company any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states, and in connection therewith to execute and file all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service of process; and the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the papers and documents so executed and the action so taken; and further

RESOLVED, that the officers of the Company be, and they hereby are, authorized to execute such contracts or agreements with such agencies as required or as appropriate under any said indenture or in connection with the issuance and sale of the Securities; and further

RESOLVED, that the officers of the Company be, and each hereby is authorized to make or join with other proper persons in making, such

certificates and opinions as may be required by the indenture, and to file such certificates and opinions with the Trustee, in connection with the issuance, authentication and delivery of the Securities; and further

RESOLVED, that the officers of the Company be, and each hereby is, authorized and directed to do or cause to be done all such acts and things as they deem necessary or advisable in order to carry into effect the purposes and intent of the foregoing resolutions.

Mr. Clevenger then stated that the Committee recommended the Board adopt resolutions relating to the purchase of debt securities of the Company.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that the officers of the Company be, and hereby are, authorized to purchase, from time to time through open market or direct purchases, or by redemption, up to \$100 million of the Company's debt securities as presented to the meeting; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to give such notices, certificates and opinions; make such filings; enter into such agreements; and take such other actions as may be necessary or appropriate in connection with such purchases or redemption; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to take such further actions as they may deem necessary or appropriate to carry out the purpose and intent of the foregoing resolutions.

The Chairman called Mr. John C. Dicus, Chairman of the Corporate Public Policy Committee, who presented the report of the Committee.

Mr. Dicus reviewed the following contributions by the Western Resources Foundation.

Topeka Symphony	\$25,000
The Menninger Foundation	\$50,000

The Chairman called Mr. Russell W. Meyer, Jr., Chairman of the Nominating Committee who presented the report of the Committee. Mr. Meyer stated that the Committee recommended Mr. Louis W. Smith be designated as a Class III Director.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that Mr. Louis W. Smith be designated as a Class III Director of the Board pursuant to Article II of the Company's By-laws; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to take such further actions as they may deem necessary or appropriate to carry out the foregoing resolutions.

The Chairman called on Mr. Wittig, who proposed that Mr. Richard D. Terrill be elected a Vice President and Corporate Secretary of the Company.

RESOLVED, that Richard D. Terrill be, and hereby is, elected Vice President, Law and Secretary, of the Company, effective July 1, 1998.

The Chairman called on Mr. Richard D. Terrill, who proposed the appointment of engineers and counsel under the Company's Mortgage Indenture to render opinions and certificates under such Indenture.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

RESOLVED, that Richard D. Terrill, Esquire, and Martin J. Bregman, Esquire, be, and hereby are, appointed counsel for the Company to furnish Harris Trust and Savings Bank, as Trustee, such opinions as may be necessary and proper and Thomas L. Grennan and Douglas J. Henry, be, and hereby are, appointed engineers to furnish to Harris Trust and Savings Bank, as Trustee, or to join in any certificate or certificates required as an engineer or counsel with respect to the provisions of the Mortgage and Deed of Trust dated July 1, 1939, as amended and supplemented between Western Resources, Inc., and Harris Trust and Savings Bank or other matters pertaining thereto; and further

RESOLVED, that these appointments remain in full force and effect until said Trustee shall receive a certified copy of a resolution of this Board to the contrary.

The Chairman proposed that the Board adopt resolutions honoring the service of Mr. John K. Rosenberg, who has retired Executive Vice President and General Counsel of the Company.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

WHEREAS, John K. Rosenberg is retiring as Executive Vice President and General Counsel of Western Resources, Inc., having joined the Company in 1979; and

WHEREAS, his understanding of the utility industry and its legal framework were very important in his successful guidance of the Company, and in returning value to the Company and its shareowners during a period of exciting growth and expansion; and

WHEREAS, his legal guidance, leadership, and expertise have helped the Company grow larger, stronger and better prepared for the future marketplace; and

WHEREAS, his commitment to service and high ideals have been instrumental in helping this Company meet the challenges of a new and developing marketplace, and have contributed to the success of Western Resources, Inc.

NOW THEREFORE, BE IT RESOLVED, that the members of the Board of Directors of Western Resources, Inc., do hereby personally and on behalf of Western Resources, Inc., express to John K. Rosenberg their

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high esteem and appreciation for his dedicated service and exemplary representation on behalf of the Company and wish him and his family the very best in his retirement.

The Chairman called on Mr. Wittig, who proposed the Board adopt resolutions relating to the authority and responsibilities of the President and Chief Executive Officer.

Whereupon, upon motion duly made and seconded, the following resolutions were unanimously adopted.

WHEREAS, the Board of Directors is vested with the authority and responsibility to manage the business of the Company or to delegate the management thereof as and to the extent permitted by statute and the Articles of Incorporation, and

WHEREAS, the Board deems it advisable to set forth those powers and responsibilities it wishes to delegate to the President and Chief Executive Officer, which powers and responsibilities he shall have the authority in turn to delegate to other officers, employees and agents of the Company.

NOW THEREFORE, BE IT RESOLVED, that the following powers and responsibilities are hereby delegated to the President and Chief Executive Officer, to be further delegated by him to such officers, employees and agents of the Company as he deems appropriate:

- 1) Recommend to the Board candidates for officer positions;
- 2) Appoint assistant officers;
- 3) Determine compensation of officers, other than those reporting directly to him, and of all other employees;
- 4) Approve corporate contributions up to \$15,000;
- 5) Appoint Boards of Directors of subsidiary companies;
- 6) Authorize brokerage accounts and depositories;
- 7) Approve transfer agents and registrars;
- 8) Appoint committees to manage the Company's benefit plans;
- 9) Do all other things necessary and not otherwise reserved for Board approval to properly conduct the business of the Company.

Mr. Wittig discussed the hiring of a potential officer.

Mr. Wittig then reviewed other matters relating to the Company.

Mr. Wittig reviewed the meeting dates for 1999. Following discussion, the meeting dates were approved as presented to the meeting.

The Chairman reviewed the split dollar life insurance program previously approved by the Board. The Chairman stated that the program had been implemented.

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The Chairman also stated that for tax reasons the program had changed slightly in form, but remained consistent with the authority approved by the Board.

The Chairman called on Mr. Jerry D. Courington, Controller of the Company, who reviewed the Company's investments in The Wing Group and related projects.

The next meeting of the Board of Directors was scheduled for September 30, 1998 in Topeka, Kansas.

There being no further business to come before the meeting, it was duly adjourned.



Richard D. Terrill
Secretary