

WESTAR ENERGY, INC.  
BOARD OF DIRECTORS  
June 26, 2002  
10:00 A.M.

A regular meeting of the Board of Directors of Westar Energy, Inc. (the "Company") was held in Topeka, Kansas, on June 26, 2002.

All members of the Board of Directors were present. Mr. David C. Wittig, Chairman of the Board, President and Chief Executive Officer, acted as Chairman of the meeting. Mr. Larry D. Irick, Vice President and Corporate Secretary, acted as Secretary of the meeting.

The Chairman requested additions or corrections to the minutes of the April 17, May 7, May 28 and May 30, 2002 Board of Directors meetings. There being no corrections or additions, the minutes were unanimously approved.

Mr. Otto L. Maynard, President of Wolf Creek Nuclear Operating Company, discussed the forced outage in May resulting from a mechanical problem with a steam generator, and other management matters.

Mr. Douglas R. Sterbenz, Senior Vice President, Generation and Marketing, discussed current industry issues and reported on generation and marketing operations.

Mr. Paul R. Geist, Senior Vice President, Chief Financial Officer and Treasurer, reported on recently completed financing transactions, second quarter 2002 financial results through May 31, 2002, and other financial matters.

Mr. Richard Ginsburg and Mr. Danus Nevin, executive officers of Protection One, Inc., reported on the business operations and financial results of Protection One, Inc.

Mr. Bruce A. Akin, Vice President, Business Services, joined Mr. Ginsburg and Mr. Nevin and they reviewed the terms of an outsourcing agreement providing for the transfer of the Company's information technology business group to Protection One, Inc.

Whereupon, following discussion, upon motion duly made and seconded, the following resolutions were unanimously approved:

RESOLVED, that in its good faith judgment the Board of Directors believes that the terms of the transaction described to the Board by which Westar Energy, Inc. (the "Company") will outsource certain information technology services (the "Outsourcing Transaction") currently performed by the Company to Protection One Data Systems, Inc., a wholly owned subsidiary of Protection One, Inc., an approximately 87%-owned subsidiary of the Company, is in the best interest of the Company and such terms are no less favorable to the Company than those that could be obtained in a comparable arm's length transaction with a person or entity that is not an affiliate of the Company, and further

RESOLVED, that the Outsourcing Transaction is hereby approved and the officers of the Company are, and each of them hereby is, authorized to execute and deliver on behalf of the Company an Outsourcing Agreement containing the terms of the Outsourcing Transaction substantially as described to this Board of Directors, with such changes therein as the officers executing such Outsourcing Agreement shall approve; and further

RESOLVED, that the officers of the Company are, and each of them hereby is, authorized to take such action as they deem necessary or

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appropriate to carry out the foregoing resolutions.

Mr. Akin also reviewed modifications to the performance criteria to be used to determine 2002 short-term incentive payments to employees in Grades D and below and to employees in Grades C and above in the Business Services group.

The Chairman called on Dr. Gene A. Budig, Chairman of the Audit and Finance Committee, who reported on the Committee meeting earlier in the morning, which included a management report about recently completed financing transactions and liquidity, a report from Deloitte & Touche LLP about the status of their transition as the Company's new independent accountants, and a report from the internal audit group on pending projects.

Mr. Douglass R. Lawrence, Vice President, Public Affairs, reviewed proposed funding to support the development of a retiree volunteer program, and reported on other public affairs matters.

The Chairman called on Mr. Frank J. Becker, Chairman of the Human Resources Committee, who reported on actions taken by the Committee and reviewed resolutions approved and recommended for adoption by the Board.

Whereupon, following discussion, upon motion duly made and seconded, the following resolutions were unanimously approved:

RESOLVED, that the approval by the Board of the Split-Dollar Insurance Agreement between the Company and David C. Wittig dated as of June 3, 1998 be, and it hereby is, ratified; and further

RESOLVED, that the Amendment to the Split-Dollar Insurance Agreement between the Company and David C. Wittig in the form presented to this meeting be, and it hereby is, approved; and further

RESOLVED, that the appropriate officers of the Company be, and each of them hereby is, authorized to execute the Amendment referred to in the preceding resolution on behalf of the Company and to take such other actions as the officer so acting may deem necessary or desirable to carry out the intent of the foregoing resolutions.

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RESOLVED, that the payment of the 2001 annual incentive bonus in the amount of \$267,000 to David C. Wittig be, and it hereby is, approved, and that such bonus be paid as soon as administratively practicable; and further

RESOLVED, that the officers of the Company are hereby authorized to take such action as they may deem necessary or appropriate to carry out the foregoing resolution.

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RESOLVED, that the Amendment to the Employment Agreement between the Company and Douglas T. Lake in the form presented to this meeting be, and it hereby is, approved; and further

RESOLVED, that the Amendment to the Employment Agreement between the Company and David C. Wittig in the form presented to this meeting be, and it hereby is, approved; and further

RESOLVED, that the appropriate officers of the Company be, and each of them hereby is, authorized to execute the Agreements with Mr. Lake and Mr. Wittig referred to in the two preceding resolutions on behalf

of the Company and to take such other actions as the officer so acting may deem necessary or desirable to carry out the intent of the foregoing resolutions; and further

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

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RESOLVED, that pursuant to Section 13.1 of the Western Resources, Inc. Executive Salary Continuation Plan (the "SERP"), the Board hereby appoints Paul R. Geist and Douglas T. Lake as the members of the Committee responsible for administering the SERP; and further

RESOLVED, that the Committee appointed pursuant to the preceding resolution be, and it hereby is, authorized to act on behalf of the Company in connection with the Trust under the SERP; and further

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

The Chairman called on Mr. John C. Dicus, Chairman of the Corporate Public Policy Committee, who reviewed a resolution approved and recommended for adoption by the Board authorizing a contribution from the Westar Energy Foundation to fund the development of a retiree volunteer program.

Whereupon, following discussion, upon motion duly made and seconded, the following resolutions were unanimously approved:

RESOLVED, that a contribution by the Westar Energy, Inc. Foundation to Volunteers of America in the amount of \$40,000 is hereby approved; and further

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

The Chairman reviewed the proposed adoption of resolutions declaring the third-quarter dividend.

Whereupon, following discussion, upon motion duly made and seconded, the following resolutions were unanimously approved:

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, 2002, to holders of record at the close of business September 9, 2002, 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 thirty cents (30¢) per share on the \$5.00 par value common stock; payable October 1, 2002, to holders of record at the close of business September 9, 2002.

The Chairman asked for comments on proposed 2003 meeting dates previously provided to the Board.

Whereupon, following discussion, upon motion duly made and seconded, the following resolution was unanimously approved:

RESOLVED, that the following regular meeting dates are hereby established for 2003:

February 25-26

May 7

July 16

October 1

December 10

The Chairman reviewed a resolution authorizing Westar Industries, Inc. to increase the amount of the credit facility provided to Protection One Alarm Monitoring, Inc.

Whereupon, following discussion, upon motion duly made and seconded, the following resolutions were unanimously approved:

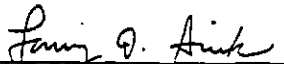
RESOLVED, that the officers of the Company are hereby authorized to cause Westar Industries, Inc. to increase the amount of the revolving credit facility provided to Protection One Alarm Monitoring, Inc. by up to \$50 million, on such terms and conditions as they determine to be appropriate in their discretion; and further

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

The Board met in executive session.

The Chairman noted that the next regular board meeting was scheduled for September 11, 2002, in Topeka, Kansas.

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

  
Larry D. Ijck  
Secretary

## AMENDMENT TO SPLIT-DOLLAR INSURANCE AGREEMENT

RESOLVED, that the approval by the Board of the Split-Dollar Insurance Agreement between the Company and David C. Wittig dated as of June 3, 1998 be, and it hereby is, ratified; and further

RESOLVED, that the Amendment to the Split-Dollar Insurance Agreement between the Company and David C. Wittig in the form presented to this meeting be, and it hereby is, approved; and further

RESOLVED, that the appropriate officers of the Company be, and each of them hereby is, authorized to execute the Amendment referred to in the preceding resolution on behalf of the Company and to take such other actions as the officer so acting may deem necessary or desirable to carry out the intent of the foregoing resolutions.

AMENDMENT TO  
SPLIT-DOLLAR INSURANCE AGREEMENT

THIS AGREEMENT is made and entered into as of this 26th day of June, 2002, by and between WESTAR ENERGY, INC. (formerly named WESTERN RESOURCES, INC.), a Kansas corporation (hereinafter referred to as the "Corporation"), and DAVID C. WITTIG (hereinafter referred to as the "Executive").

WHEREAS, the Corporation and the Executive entered into a Split-Dollar Insurance Agreement as of June 3, 1998 (the "Insurance Agreement"); and

WHEREAS, the Corporation and the Executive wish to amend the Insurance Agreement to modify the terms of the Executive's right to sell his policy interest to the Corporation thereunder.

NOW, THEREFORE, the Executive and the Corporation do hereby agree to amend the Insurance Agreement as follows

1. Section 8 of the Insurance Agreement is amended by adding the following sentences between the fourth and fifth sentences of said Section 8:

"If the Executive has made a prior sale of all or a portion of his interest in the death benefits, on or after January 2, 2002, pursuant to this Section 8 in which the purchase price paid by the Corporation was below the base amount, Executive shall have a one time right to elect, at some future date, to be paid the additional amount outlined in Section 8 up to the amount of One Dollar (\$1.00) for each One Dollar (\$1.00) of the original Executive net death benefit in accordance with adjustment based on change in total shareowner return as if the Executive had not sold the death benefits. The price paid by the Corporation shall be determined by (i) calculating the amount that would have been payable by the Corporation if the prior sale had not occurred and then (ii) reducing the amount calculated in (i) by the amount previously paid to the Executive

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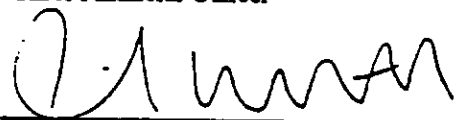
and further reduced by interest calculated at an annual rate of 7.38 percent for the amount previously paid."

2. Except as modified by this Agreement, the Insurance Agreement shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in duplicate, as of the day and year first above written.

WESTAR ENERGY, INC.

By:   
\_\_\_\_\_  
Paul R. Geist  
Senior Vice President and  
Chief Financial Officer

  
\_\_\_\_\_  
David C. Wittig

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