Western Resources

DAVID C. WITTIG
Chairman of the Board,
President and Chief Executive Officer

January 26, 2001

Mr. Frank J. Becker
Becker Investments, Inc.

REDACTED

Dear Frank,

In our meeting, we discussed the idea of an amendment to the split-dollar insurance agreement to clarify the ability of the executive to sell back to the company the proceeds without losing the potential upside opportunity if the stock goes up.

The total amount of the "minimum" for Carl and me was expensed by the company in 1997 in the amount of $18.58 million. We are entitled to sell the insurance proceeds back to the company today and receive those funds.

Under the terms of the employment agreement, upon a triggering event such as a change in control, the executive is entitled to the amount up to the "base amount," an aggregate of $6.19 million. Further, the maximum amount would be required to be deposited in a Rabbi Trust until paid to the executive, an aggregate of $12.38 million. Any accrued and unused interest amount would be returned to the company.

Attached is a chart reflecting the percentage of the split dollar which would be paid out based on both the stock price and the date (for total return purposes). If the stock increased by 10% per year, the full amount would vest in July, 2006.

The proposed clarifying amendment would allow the executive to sell the insurance proceeds back to the company – a right which he has today; but, would allow him to still have the opportunity to retain the "upside" if the stock price increases.

If you have any questions about this, please let me know.

Sincerely,

enclosure

818 South Kansas Avenue / Topeka, Kansas 66612
Telephone: (785) 575-6401 / Fax: (785) 575-8061
Internet: david_wittig@wstnres.com

Percent of Split Dollar Payout Received
August 2000

Date	Cumulative Dividends *	Current Western Resouces Stock Price																										
		$17	$18	$19	$20	$21	$22	$23	$24	$25	$26	$27	$28	$29	$30	$31	$32	$33	$34	$35	$36	$37	$38	$39	$40	$41	$42	$43
July 98	$0.535	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.44%	54.04%	56.65%	59.25%	61.86%	64.46%	67.07%	69.68%	72.28%	74.89%	77.49%	80.10%
October 98	$1.070	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.23%	52.83%	55.44%	58.04%	60.65%	63.25%	65.86%	68.46%	71.07%	73.67%	76.28%	78.89%	81.49%
January 99	$1.605	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.62%	54.23%	56.83%	59.44%	62.04%	64.65%	67.25%	69.86%	72.46%	75.07%	77.67%	80.28%	82.88%
April 99	$2.140	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.41%	53.01%	55.62%	58.22%	60.83%	63.44%	66.04%	68.65%	71.25%	73.86%	76.46%	79.07%	81.67%	84.28%
July 99	$2.675	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.80%	54.41%	57.01%	59.62%	62.22%	64.83%	67.43%	70.04%	72.65%	75.25%	77.86%	80.46%	83.07%	85.67%
October 99	$3.210	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.59%	53.20%	55.80%	58.41%	61.01%	63.62%	66.22%	68.83%	71.43%	74.04%	76.64%	79.25%	81.86%	84.46%	87.07%
January 00	$3.745	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.98%	54.59%	57.20%	59.80%	62.41%	65.01%	67.62%	70.22%	72.83%	75.43%	78.04%	80.64%	83.25%	85.85%	88.46%
April 00	$4.280	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.77%	53.38%	55.98%	58.59%	61.19%	63.80%	66.41%	69.01%	71.62%	74.22%	76.83%	79.43%	82.04%	84.64%	87.25%	89.85%
July 00	$4.560	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.55%	54.16%	56.77%	59.37%	61.98%	64.58%	67.19%	69.79%	72.40%	75.00%	77.61%	80.21%	82.82%	85.42%	88.03%	90.64%
October 00	$4.880	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.34%	54.94%	57.55%	60.15%	62.76%	65.36%	67.97%	70.57%	73.18%	75.78%	78.39%	81.00%	83.60%	86.21%	88.81%	91.42%
January 01	$5.180	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.51%	53.12%	55.72%	58.33%	60.93%	63.54%	66.14%	68.75%	71.36%	73.96%	76.57%	79.17%	81.78%	84.38%	86.99%	89.59%	92.20%
April 01	$5.480	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.29%	53.90%	56.50%	59.11%	61.72%	64.32%	66.93%	69.53%	72.14%	74.74%	77.35%	79.95%	82.56%	85.16%	87.77%	90.38%	92.98%
July 01	$5.780	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.08%	54.68%	57.29%	59.89%	62.50%	65.10%	67.71%	70.31%	72.92%	75.52%	78.13%	80.74%	83.34%	85.95%	88.55%	91.16%	93.76%
October 01	$6.080	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.25%	52.86%	55.46%	58.07%	60.67%	63.28%	65.88%	68.49%	71.10%	73.70%	76.31%	78.91%	81.52%	84.12%	86.73%	89.33%	91.94%	94.54%
January 02	$6.380	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.03%	53.64%	56.24%	58.85%	61.46%	64.06%	66.67%	69.27%	71.88%	74.48%	77.09%	79.69%	82.30%	84.90%	87.51%	90.11%	92.72%	95.33%
April 02	$6.680	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.82%	54.42%	57.03%	59.63%	62.24%	64.84%	67.45%	70.05%	72.66%	75.26%	77.87%	80.47%	83.08%	85.69%	88.29%	90.90%	93.50%	96.11%
July 02	$6.980	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.60%	55.20%	57.81%	60.41%	63.02%	65.62%	68.23%	70.83%	73.44%	76.05%	78.65%	81.26%	83.86%	86.47%	89.07%	91.68%	94.28%	96.89%
October 02	$7.280	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.77%	53.38%	55.98%	58.59%	61.19%	63.80%	66.41%	69.01%	71.62%	74.22%	76.83%	79.43%	82.04%	84.64%	87.25%	89.85%	92.46%	95.07%	97.67%
January 03	$7.580	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.55%	54.16%	56.77%	59.37%	61.98%	64.58%	67.19%	69.79%	72.40%	75.00%	77.61%	80.21%	82.82%	85.42%	88.03%	90.64%	93.24%	95.85%	98.45%
April 03	$7.880	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.34%	54.94%	57.55%	60.15%	62.76%	65.36%	67.97%	70.57%	73.18%	75.78%	78.39%	81.00%	83.60%	86.21%	88.81%	91.42%	94.02%	96.63%	99.23%
July 03	$8.180	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.51%	53.12%	55.72%	58.33%	60.93%	63.54%	66.14%	68.75%	71.36%	73.96%	76.57%	79.17%	81.78%	84.38%	86.99%	89.59%	92.20%	94.80%	97.41%	100.00%
October 03	$8.480	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.29%	53.90%	56.50%	59.11%	61.72%	64.32%	66.93%	69.53%	72.14%	74.74%	77.35%	79.95%	82.56%	85.16%	87.77%	90.38%	92.98%	95.59%	98.19%	100.00%
January 04	$8.780	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.08%	54.68%	57.29%	59.89%	62.50%	65.10%	67.71%	70.31%	72.92%	75.52%	78.13%	80.74%	83.34%	85.95%	88.55%	91.16%	93.76%	96.37%	98.97%	100.00%
April 04	$9.080	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.25%	52.86%	55.46%	58.07%	60.67%	63.28%	65.88%	68.49%	71.10%	73.70%	76.31%	78.91%	81.52%	84.12%	86.73%	89.33%	91.94%	94.54%	97.15%	99.75%	100.00%
July 04	$9.380	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.03%	53.64%	56.24%	58.85%	61.46%	64.06%	66.67%	69.27%	71.88%	74.48%	77.09%	79.69%	82.30%	84.90%	87.51%	90.11%	92.72%	95.33%	97.93%	100.00%	100.00%
October 04	$9.680	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	51.82%	54.42%	57.03%	59.63%	62.24%	64.84%	67.45%	70.05%	72.66%	75.26%	77.87%	80.47%	83.08%	85.69%	88.29%	90.90%	93.50%	96.11%	98.71%	100.00%	100.00%
January 05	$9.980	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	52.60%	55.20%	57.81%	60.41%	63.02%	65.62%	68.23%	70.83%	73.44%	76.05%	78.65%	81.26%	83.86%	86.47%	89.07%	91.68%	94.28%	96.89%	99.49%	100.00%	100.00%
April 05	$10.280	50.00%	50.00%	50.00%	50.00%	50.00%	50.77%	53.38%	55.98%	58.59%	61.19%	63.80%	66.41%	69.01%	71.62%	74.22%	76.83%	79.43%	82.04%	84.64%	87.25%	89.85%	92.46%	95.07%	97.67%	100.00%	100.00%	100.00%
July 05	$10.580	50.00%	50.00%	50.00%	50.00%	50.00%	51.55%	54.16%	56.77%	59.37%	61.98%	64.58%	67.19%	69.79%	72.40%	75.00%	77.61%	80.21%	82.82%	85.42%	88.03%	90.64%	93.24%	95.85%	98.45%	100.00%	100.00%	100.00%
October 05	$10.880	50.00%	50.00%	50.00%	50.00%	50.00%	52.34%	54.94%	57.55%	60.15%	62.76%	65.36%	67.97%	70.57%	73.18%	75.78%	78.39%	81.00%	83.60%	86.21%	88.81%	91.42%	94.02%	96.63%	99.23%	100.00%	100.00%	100.00%
January 06	$11.180	50.00%	50.00%	50.00%	50.00%	50.51%	53.12%	55.72%	58.33%	60.93%	63.54%	66.14%	68.75%	71.36%	73.96%	76.57%	79.17%	81.78%	84.38%	86.99%	89.59%	92.20%	94.80%	97.41%	100.00%	100.00%	100.00%	100.00%
April 06	$11.480	50.00%	50.00%	50.00%	50.00%	51.29%	53.90%	56.50%	59.11%	61.72%	64.32%	66.93%	69.53%	72.14%	74.74%	77.35%	79.95%	82.56%	85.16%	87.77%	90.38%	92.98%	95.59%	98.19%	100.00%	100.00%	100.00%	100.00%
July 05	$11.780	50.00%	50.00%	50.00%	50.00%	52.08%	54.68%	57.29%	59.89%	62.50%	65.10%	67.71%	70.31%	72.92%	75.52%	78.13%	80.74%	83.34%	85.95%	88.55%	91.16%	93.76%	96.37%	98.97%	100.00%	100.00%	100.00%	100.00%
October 06	$12.080	50.00%	50.00%	50.00%	50.25%	52.86%	55.46%	58.07%	60.67%	63.28%	65.88%	68.49%	71.10%	73.70%	76.31%	78.91%	81.52%	84.12%	86.73%	89.33%	91.94%	94.54%	97.15%	99.75%	100.00%	100.00%	100.00%	100.00%
January 07	$12.380	50.00%	50.00%	50.00%	51.03%	53.64%	56.24%	58.85%	61.46%	64.06%	66.67%	69.27%	71.88%	74.48%	77.09%	79.69%	82.30%	84.90%	87.51%	90.11%	92.72%	95.33%	97.93%	100.00%	100.00%	100.00%	100.00%	100.00%
April 07	$12.680	50.00%	50.00%	50.00%	51.82%	54.42%	57.03%	59.63%	62.24%	64.84%	67.45%	70.05%	72.66%	75.26%	77.87%	80.47%	83.08%	85.69%	88.29%	90.90%	93.50%	96.11%	98.71%	100.00%	100.00%	100.00%	100.00%	100.00%
July 07	$12.980	50.00%	50.00%	50.00%	52.60%	55.20%	57.81%	60.41%	63.02%	65.62%	68.23%	70.83%	73.44%	76.05%	78.65%	81.26%	83.86%	86.47%	89.07%	91.68%	94.28%	96.89%	99.49%	100.00%	100.00%	100.00%	100.00%	100.00%
October 07	$13.280	50.00%	50.00%	50.77%	53.38%	55.98%	58.59%	61.19%	63.80%	66.41%	69.01%	71.62%	74.22%	76.83%	79.43%	82.04%	84.64%	87.25%	89.85%	92.46%	95.07%	97.67%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
January 08	$13.580	50.00%	50.00%	51.55%	54.16%	56.77%	59.37%	61.98%	64.58%	67.19%	69.79%	72.40%	75.00%	77.61%	80.21%	82.82%	85.42%	88.03%	90.64%	93.24%	95.85%	98.45%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
April 08	$13.880	50.00%	50.00%	52.34%	54.94%	57.55%	60.15%	62.76%	65.36%	67.97%	70.57%	73.18%	75.78%	78.39%	81.00%	83.60%	86.21%	88.81%	91.42%	94.02%	96.63%	99.23%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
July 08	$14.180	50.00%	50.51%	53.12%	55.72%	58.33%	60.93%	63.54%	66.14%	68.75%	71.36%	73.96%	76.57%	79.17%	81.78%	84.38%	86.99%	89.59%	92.20%	94.80%	97.41%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
October 08	$14.480	50.00%	51.29%	53.90%	56.50%	59.11%	61.72%	64.32%	66.93%	69.53%	72.14%	74.74%	77.35%	79.95%	82.56%	85.16%	87.77%	90.38%	92.98%	95.59%	98.19%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
January 09	$14.780	50.00%	52.08%	54.68%	57.29%	59.89%	62.50%	65.10%	67.71%	70.31%	72.92%	75.52%	78.13%	80.74%	83.34%	85.95%	88.55%	91.16%	93.76%	96.37%	98.97%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
April 09	$15.080	50.25%	52.86%	55.46%	58.07%	60.67%	63.28%	65.88%	68.49%	71.10%	73.70%	76.31%	78.91%	81.52%	84.12%	86.73%	89.33%	91.94%	94.54%	97.15%	99.75%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
July 09	$15.380	51.03%	53.64%	56.24%	58.85%	61.46%	64.06%	66.67%	69.27%	71.88%	74.48%	77.09%	79.69%	82.30%	84.90%	87.51%	90.11%	92.72%	95.33%	97.93%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
October 09	$15.680	51.82%	54.42%	57.03%	59.63%	62.24%	64.84%	67.45%	70.05%	72.66%	75.26%	77.87%	80.47%	83.08%	85.69%	88.29%	90.90%	93.50%	96.11%	98.71%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
January 10	$15.980	52.60%	55.20%	57.81%	60.41%	63.02%	65.62%	68.23%	70.83%	73.44%	76.05%	78.65%	81.26%	83.86%	86.47%	89.07%	91.68%	94.28%	96.89%	99.49%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
April 10	$16.280	53.38%	55.98%	58.59%	61.19%	63.80%	66.41%	69.01%	71.62%	74.22%	76.83%	79.43%	82.04%	84.64%	87.25%	89.85%	92.46%	95.07%	97.67%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
July 10	$16.580	54.16%	56.77%	59.37%	61.98%	64.58%	67.19%	69.79%	72.40%	75.00%	77.61%	80.21%	82.82%	85.42%	88.03%	90.64%	93.24%	95.85%	98.45%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
October 10	$16.880	54.94%	57.55%	60.15%	62.76%	65.36%	67.97%	70.57%	73.18%	75.78%	78.39%	81.00%	83.60%	86.21%	88.81%	91.42%	94.02%	96.63%	99.23%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

* Cummulative Dividends represent dividends paid or assumed to be paid on Western Resources stock since the beginning of the Split Dollar Program

Assumptions	
Base Stock Price	$38.38155
Base Percent Received	66.67%
Quarterly Dividends	$0.300

WS013057