

UNION ELECTRIC CO

FORM 8-K (Unscheduled Material Events)

Filed 8/23/2002 For Period Ending 8/22/2002

Address	1901 CHOUTEAU AVENUE MC 1370 ST LOUIS, Missouri 63166
Telephone	314-621-3222
CIK	0000100826
Industry	Electric Utilities
Sector	Utilities
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 22, 2002

UNION ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

Missouri
(State or other jurisdiction
of incorporation)

1-2967
(Commission
File Number)

43-0559760
(I.R.S. Employer
Identification No.)

1901 Chouteau Avenue, St. Louis, Missouri 63103
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: (314) 621-3222

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

On August 22, 2002, the Registrant issued and sold \$173,000,000 principal amount of its 5.25% Senior Secured Notes due 2012 (the "Notes"), pursuant to a Registration Statement on Form S-3 (Nos. 333-87506 and 333-87506-01), which was declared effective on August 13, 2002, and a Prospectus Supplement dated August 15, 2002 to a Prospectus dated August 15, 2002. This Current Report on Form 8-K is being filed to report as exhibits certain documents in connection with that offering.

ITEM 7. EXHIBITS

(c) Exhibits.

- 1 Underwriting Agreement, dated August 15, 2002 between the Registrant and Banc of America Securities LLC and Credit Suisse First Boston Corporation, as Representatives of the several Underwriters named therein.
- 4.1 Indenture dated as of August 15, 2002, between the Registrant and The Bank of New York, as trustee, relating to the Notes.
- 4.2 Company Order establishing the Notes.
- 4.3 Supplemental Indenture by and between the Registrant and The Bank of New York, as Trustee under the Indenture of Mortgage and Deed of Trust dated June 15, 1937 relating to the First Mortgage Bonds, Senior Notes Series AA securing the Notes.
- 5.1 Opinion of Steven R. Sullivan, Esq., Vice President, General Counsel and Secretary of the Company,

regarding the legality of the Notes issued by the Registrant.

- 5.2 Opinion of Pillsbury Winthrop LLP regarding the legality of the Notes issued by the Registrant.
- 12 Statement re computation of ratios of earnings to fixed charges for the six months ended June 30, 2001 and 2002.

2

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNION ELECTRIC COMPANY
(Registrant)

By: /s/ MARTIN J. LYONS

Name: Martin J. Lyons
Title: Controller
(Principal Accounting Officer)

Date: August 23, 2002

3

Exhibit Index

Exhibit No.	Description
1	Underwriting Agreement, dated August 15, 2002 between the Registrant and Banc of America Securities LLC and Credit Suisse First Boston Corporation, as Representatives of the several Underwriters named therein.
4.1	Indenture dated as of August 15, 2002, between the Registrant and The Bank of New York, as trustee, relating to the Notes.
4.2	Company Order establishing the Notes.
4.3	Supplemental Indenture by and between the Registrant and The Bank of New York, as Trustee under the Indenture of Mortgage and Deed of Trust dated June 15, 1937 relating to the First Mortgage Bonds, Senior Notes Series AA securing the Notes.
5.1	Opinion of Steven R. Sullivan, Esq., Vice President, General Counsel and Secretary of the Company, regarding the legality of the Notes issued by the Registrant.
5.2	Opinion of Pillsbury Winthrop LLP regarding the legality of the Notes issued by the Registrant.
12	Statement re computation of ratios of earnings to fixed charges for the six months ended June 30, 2001 and 2002.

4

EXHIBIT 1

**UNION ELECTRIC COMPANY
SENIOR SECURED DEBT SECURITIES**

UNDERWRITING AGREEMENT

August 15, 2002

Banc of America Securities LLC
Credit Suisse First Boston Corporation
As Representatives of
the several Underwriters

c/o Credit Suisse First Boston Corporation
Eleven Madison Avenue
New York, New York 10010

Ladies and Gentlemen:

From time to time, Union Electric Company d/b/a AmerenUE, a Missouri corporation (the "Company"), proposes to enter into one or more Pricing Agreements (each, a "Pricing Agreement") in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "Underwriters" with respect to such Pricing Agreement and the securities specified therein) certain of its senior secured debt securities (the "Securities") specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "Designated Securities"). The Designated Securities will be secured by a series of the Company's First Mortgage Bonds specified in Schedule II to the applicable Pricing Agreement (with respect to such Pricing Agreement, the "First Mortgage Bonds"), in the same aggregate principal amount and having the same stated interest rate and maturity date and other terms as the Designated Securities to which they relate.

The terms and rights of any particular issuance of Designated Securities (including the First Mortgage Bonds securing such Designated Securities) shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the Indenture dated as of August 15, 2002 (as it may be supplemented or amended, the "Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"). The First Mortgage Bonds will be issued under and pursuant to the Company's Indenture of Mortgage and Deed of Trust, dated June 15, 1937, executed by the Company to The Bank of New York, as successor trustee (the "Mortgage Trustee" and, together with the Trustee, the "Trustees"), as heretofore amended and supplemented by various supplemental indentures, and as to be further amended and supplemented by a supplemental indenture relating to the particular series of First Mortgage Bonds specified in Schedule II to the applicable Pricing Agreement (with respect to such Pricing Agreement, the "Supplemental Indenture"). The term "Mortgage," as used herein, shall be deemed to refer to such Indenture of Mortgage and Deed of Trust as so amended and supplemented.

1. Particular sales of Designated Securities may be made from time to time to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in the Pricing Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the Securities or as an obligation of any of the Underwriters to purchase the Securities. The obligation of the Company to issue and sell any of the Securities and the obligation of any of the Underwriters to purchase any of the Securities shall be evidenced by the Pricing Agreement with respect to the Designated Securities specified therein. Each Pricing Agreement shall specify the title and aggregate principal amount of such Designated Securities, the initial public offering price of such Designated Securities, the purchase price to the Underwriters of such Designated Securities, the series of First Mortgage Bonds securing such Designated Securities, the Supplemental Indenture relating to such First Mortgage Bonds, the names of the Underwriters of such Designated Securities, the names of the Representatives of such Underwriters, if any, and the principal amount of such Designated Securities to be purchased by each Underwriter and shall set forth the date, time and manner of delivery of such Designated Securities and payment therefor. The Pricing Agreement shall also specify (to the extent not set forth in or pursuant to the Indenture and the registration statement and prospectus with respect thereto) the terms of such Designated Securities. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Underwriting Agreement and each Pricing Agreement shall be several and not joint.

2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) The Company meets the requirements for the use of a registration statement on Form S-3 under the Securities Act of 1933, as amended (the "Act"), and a registration statement on Form S-3 (File Nos. 333-87506 and 333-87506-01) (together with any pre-effective amendments thereto, the "Initial Registration Statement") in respect of the Securities has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to the Initial Registration Statement, but including all documents incorporated by reference in the prospectus contained therein, to the Representatives for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Act, which became effective upon filing, and except as otherwise set forth therein, no other document with respect to the Initial Registration Statement or document incorporated by reference therein has heretofore been filed or transmitted for filing with the Commission (other than prospectuses filed pursuant to Rule 424(b) of the rules and regulations of the Commission under the Act, each in the form heretofore delivered to the Representatives); and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or any preliminary prospectus supplement used in connection with the offering and sale of Designated Securities,

is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statement, any post-effective amendment thereto and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in the Initial Registration Statement at the time such part of the Initial Registration Statement became effective but excluding any Form T-1, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, and including any information omitted from the Initial Registration Statement at the time such part of the Initial Registration Statement became effective but that is deemed to be part of the Initial Registration Statement at such time pursuant to paragraph (b) of Rule 430A under the Act are hereinafter collectively called the "Registration Statement"; the prospectus relating to the Securities, in the form in which it has most recently been filed, or transmitted for filing, with the Commission on or prior to the date of this Underwriting Agreement, being hereinafter called the "Prospectus"; any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment to the Initial Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Sections 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement; and any reference to the Prospectus as amended or supplemented shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Securities in the form in which it is filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof, including any documents incorporated by reference therein as of its date);

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities;

(c) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the Trust Indenture Act of 1939, as

amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities;

(d) The financial statements of the Company filed as part of or incorporated by reference in the Registration Statement and the Prospectus fairly present the financial condition of the Company as of the dates indicated and the results of its operations and cash flows for the periods therein specified and have been prepared in conformity with United States generally accepted accounting principles applied on a consistent basis throughout the periods involved, except as otherwise indicated therein;

(e) The Company has not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and, since the respective dates as of which information is given in the Prospectus, (i) the Company has not incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, that are material to the Company, and (ii) there has not been any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company, in each case, otherwise than as set forth or contemplated in the Prospectus;

(f) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus; the Company is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect (as defined herein); and the Company has no majority-owned subsidiaries (within the meaning of Rule 1-02 (n) of Regulation S-X under the Act) except for Union Electric Development Corporation;

(g) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(h) The Securities have been duly authorized by the Company, and, when Designated Securities are issued and delivered pursuant to this Underwriting Agreement and the Pricing Agreement with respect to such Designated Securities, such Designated Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the security afforded by the Indenture,

which will be substantially in the form filed as an exhibit to the Registration Statement; the Indenture has been duly authorized by the Company and duly qualified under the Trust Indenture Act and, at the Time of Delivery (as defined in Section 4 hereof), the Indenture will be duly executed and delivered by the Company and will be a valid and legally binding instrument, enforceable against the Company in accordance with its terms, except as may be limited by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally, (ii) general equitable principles (whether considered in a proceeding in equity or at law) and (iii) requirements of reasonableness, good faith and fair dealing (collectively, the "Exceptions"); and the Indenture conforms, and the Designated Securities will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to such Designated Securities;

(i) The First Mortgage Bonds have been duly authorized by the Company, and, when the First Mortgage Bonds have been issued and delivered pursuant to the Mortgage and the Indenture, such First Mortgage Bonds will have been duly executed, authenticated, issued and delivered, will constitute valid and legally binding obligations of the Company entitled to the security afforded by the Mortgage, which will be substantially in the form filed as an exhibit to the Registration Statement, and will be owned and held by the Trustee, in trust, for the benefit of the holders of the related Designated Securities; the Mortgage has been duly authorized by the Company and duly qualified under the Trust Indenture Act and, at the Time of Delivery for the related Designated Securities, the Mortgage (as supplemented and amended by the Supplemental Indenture relating to the First Mortgage Bonds) will be duly executed and delivered by the Company and will constitute a valid and legally binding instrument, enforceable against the Company in accordance with its terms, subject to the laws of the States of Missouri, Illinois and Iowa affecting the remedies for the enforcement of the security provided for therein and except as may be limited by the Exceptions; and the Mortgage conforms, and the First Mortgage Bonds will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to the related Designated Securities;

(j) Substantially all of the permanent, fixed properties of the Company are owned in fee simple or are held under valid leases, in each case subject only to the liens of current mortgages (including the lien of the Mortgage) and "permitted liens" and "judgment liens" as defined in the Mortgage; such minor imperfections of title and encumbrances, if any, which are not substantial in amount, do not materially detract from the value or marketability of the properties subject thereto and do not materially impair the title of the Company to its properties or its right to use its properties in connection with its business as presently conducted; and, based on the Company's balance sheet as of June 30, 2002, approximately 5% of the Company's property and plant was located in the States of Illinois and Iowa;

(k) This Underwriting Agreement has been, and the Pricing Agreement applicable to any Designated Securities, at the date thereof, will be, duly authorized, executed and delivered by the Company;

(l) PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company incorporated by reference in the Registration Statement and the Prospectus, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder;

(m) The issue of the First Mortgage Bonds and the issue and sale of the Securities and the compliance by the Company with all of the provisions of the Securities, the

Indenture, the First Mortgage Bonds, the Mortgage, this Underwriting Agreement and any Pricing Agreement, and the consummation of the transactions herein and therein contemplated, will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Restated Articles of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties; each of the Missouri Public Service Commission and the Illinois Commerce Commission has issued, or as of the date of the Pricing Agreement applicable to any Designated Securities, will have issued, its final order (collectively, the "Regulatory Orders") authorizing the issuance and sale of the Designated Securities by the Company and the issuance of the First Mortgage Bonds by the Company; the Regulatory Orders are, or as of the date of the Pricing Agreement applicable to any Designated Securities, will be, in full force and effect and are, or as of the date of the Pricing Agreement applicable to any Designated Securities, will be, sufficient to authorize the transactions contemplated by this Underwriting Agreement; and no other consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body, including, without limitation, any regulatory body of the State of Iowa, is required for the issue and sale of the Securities and the issue of the First Mortgage Bonds by the Company, or the consummation by the Company of the transactions contemplated by this Underwriting Agreement or any Pricing Agreement or the Indenture or the Mortgage, except such as have been, or will have been prior to the Time of Delivery, obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(n) The statements set forth in the Prospectus as amended or supplemented with respect to any Designated Securities under the captions "Description of Senior Secured Notes," "Description of Senior Secured Debt Securities" and "Description of First Mortgage Bonds", insofar as they purport to constitute a summary of the terms of the Securities, the Indenture, the Mortgage and the First Mortgage Bonds, and under the captions "Plan of Distribution" and "Underwriting", insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair;

(o) The Company is not (i) in violation of its Restated Articles of Incorporation or By-laws, (ii) to the best knowledge of the Company, after due inquiry, in violation of any law, ordinance, administrative or governmental rule or regulation applicable to the Company, the violation of which would reasonably be expected to have a material adverse effect on the general affairs, management, financial position, stockholder's equity or results of operations of the Company (a "Material Adverse Effect"), or of any decree of any court or governmental agency or body having jurisdiction over the Company, or (iii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, which default would reasonably be expected to have a Material Adverse Effect;

(p) Other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which, if determined adversely to the Company, would individually

or in the aggregate have a Material Adverse Effect; and, to the Company's knowledge, no such proceedings are threatened by governmental authorities or others;

(q) The Company is not and, after giving effect to the offering and sale of the Securities, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act"); and

(r) Except as set forth in the Prospectus, the Company (i) is in compliance with any and all applicable federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (iii) is in compliance with all terms and conditions of any such permit, license or approval, except as to clauses (i), (ii) and (iii) where such non-compliance with Environmental Laws or failure to receive, or comply with the terms and conditions of, required permits, licenses or other approvals would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

3. Upon the execution of the Pricing Agreement applicable to any Designated Securities and authorization by the Representatives of the release of such Designated Securities, the several Underwriters propose to offer such Designated Securities for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Designated Securities to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Designated Securities.

5. The Company agrees with each of the Underwriters of any Designated Securities:

(a) To prepare the Prospectus as amended or supplemented in relation to the applicable Designated Securities in a form approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Securities or, if applicable, such earlier time as may be required by Rule 424(b); to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such Designated Securities and prior to the Time of Delivery for such Designated Securities which shall be disapproved by the Representatives for such Designated Securities promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to

Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities, and during such same period to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities, of the suspension of the qualification of such Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Securities or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Securities for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such Securities, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 a.m., New York City time, on the New York Business Day (as defined in Section 14 hereof) next succeeding the date of this Underwriting Agreement and from time to time, including the New York Business Day next succeeding the date of any Pricing Agreement, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City as amended or supplemented in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earning statement of the Company (which need not be audited) complying with

Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period beginning from the date of the Pricing Agreement for any Designated Securities and continuing to and including the later of (i) the termination of trading restrictions for such Designated Securities, as notified to the Company by the

Representatives, and (ii) the Time of Delivery for such Designated Securities, not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which mature more than one year after such Time of Delivery and which are substantially similar to such Designated Securities, without the prior written consent of the Representatives;

(f) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Underwriting Agreement or the date of the applicable Pricing Agreement, as applicable, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act; and

(g) The Company will apply the net proceeds from the sale of any Designated Securities for the purposes set forth in the Prospectus as amended or supplemented to reflect the offering and sale of such Designated Securities.

6. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Underwriting Agreement, any Pricing Agreement, the Indenture, the Mortgage, any blue sky surveys, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Securities; (iii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with any blue sky surveys; (iv) any fees charged by securities rating services for rating the Securities; (v) any filing fees incident to, and the fees and disbursements of counsel for the Underwriters in connection with, any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities; (vi) the cost of preparing the Securities and the First Mortgage Bonds; (vii) the fees and expenses of the Trustees and any agent of the Trustees and the fees and disbursements of counsel for the Trustees in connection with the Indenture, the Securities, the Mortgage and the First Mortgage Bonds; and (viii) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section 6. It is understood, however, that, except as provided in this Section 6, and Sections 8 and 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel and transfer taxes on resale of any of the Securities by them.

7. The obligations of the Underwriters of any Designated Securities under the Pricing Agreement relating to such Designated Securities shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in the Pricing Agreement relating to such Designated Securities are, at and as of the Time of Delivery for such Designated Securities, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented in relation to the applicable Designated Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Underwriting Agreement or the date of such Pricing Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion or opinions, dated the Time of Delivery for such Designated Securities, with respect to the matters covered in paragraphs (iii), (iv), (v), (xiii), (xiv) and (xvi) of subsection (c) below as well as such other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Steven R. Sullivan, Esq., Vice President, General Counsel and Secretary of the Company or other counsel for the Company reasonably satisfactory to the Representatives shall have furnished to the Representatives their written opinion, dated the Time of Delivery for such Designated Securities, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Missouri, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus as amended or supplemented; and the Company is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect;

(ii) To such counsel's knowledge and other than as described in the Prospectus as amended or supplemented, there are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which, if determined adversely to the Company, would individually or in the aggregate reasonably be expected to have a Material Adverse Effect; to such counsel's knowledge, no such proceedings are threatened by governmental authorities or others; there is no franchise, contract or other document of a character required to be described in the Registration Statement or the Prospectus, or to be filed as an exhibit (either thereto or to a document incorporated therein by reference), that is not described or filed as required; and the statements included or incorporated by reference in the Prospectus as amended or supplemented describing any legal proceedings or material contracts or agreements relating to the Company fairly summarize such matters;

(iii) This Underwriting Agreement and the Pricing Agreement with respect to the Designated Securities have been duly authorized, executed and delivered by the Company;

(iv) The Designated Securities have been duly authorized, executed, and issued by the Company and, assuming due authentication thereof by the Trustee and upon payment and delivery in accordance with the terms hereof and the Pricing Agreement, will constitute valid and legally binding obligations of the Company, except as may be limited by the Exceptions, and will be entitled to the benefit of the security afforded by the Indenture;

(v) The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument of the Company, enforceable against the Company in accordance with its terms, except as may be limited by the Exceptions; and the Indenture has been duly qualified under the Trust Indenture Act;

(vi) The First Mortgage Bonds have been duly authorized, executed and issued by the Company and, assuming due authentication thereof by the Mortgage Trustee and upon delivery in accordance with the terms of the Mortgage and the Indenture, will constitute valid and legally binding obligations of the Company, except as may be limited by the Exceptions, and will be entitled to the benefit of the security afforded by the Mortgage;

(vii) The Mortgage (including the Supplemental Indenture relating to the First Mortgage Bonds) has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument of the Company, enforceable against the Company in accordance with its terms, subject to provisions of the Mortgage being limited by the laws of the States of Missouri, Illinois or Iowa affecting the remedies for the enforcement of the security provided for therein, which laws do not, in such counsel's opinion, make inadequate remedies necessary for the realization of the benefits of such security and except as may be limited by the Exceptions; and the Mortgage has been duly qualified under the Trust Indenture Act;

(viii) The issue of the First Mortgage Bonds and the issue and sale of the Designated Securities and the compliance by the Company with the provisions of the Designated Securities, the Indenture, the First Mortgage Bonds, the Mortgage, this Underwriting Agreement and the Pricing Agreement with respect to the Designated Securities and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, which would reasonably be expected to have a Material Adverse Effect, nor will such actions result in any violation of the provisions of the Restated Articles of Incorporation or By-laws of the Company or any statute or any order, rule or regulation known to such counsel of any court or governmental agency or body having jurisdiction over the Company or any of its properties;

(ix) Each of the Missouri Public Service Commission and the Illinois Commerce Commission has duly authorized the issue and sale of the Designated Securities by the Company and the issue of the First Mortgage Bonds by the Company pursuant to the Regulatory Orders; the Regulatory Orders are sufficient for the issue and sale of the Designated Securities by the Company as contemplated by this Underwriting

Agreement and the issue of the First Mortgage Bonds by the Company as contemplated by the Mortgage and are in full force and effect; no other consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body, including, without limitation, any regulatory body of the State of Iowa, is required for the issue and sale of the Designated Securities and the issue of the First Mortgage Bonds by the Company or the consummation by the Company of the transactions contemplated by this Underwriting Agreement or such Pricing Agreement or the Indenture or the Mortgage, except such as have been obtained under the Act and the Trust Indenture Act and except such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters (as to which such counsel need express no opinion);

(x) The Company is not (i) in violation of its By-laws or Restated Articles of Incorporation or (ii) to such counsel's knowledge, in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which it is a party or by which it or any of its properties may be bound;

(xi) The Company is not an "investment company", as such term is defined in the Investment Company Act;

(xii) The documents incorporated by reference in the Prospectus as amended or supplemented (other than the financial statements and related schedules and other financial data included or incorporated by reference therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading;

(xiii) The Registration Statement, at its effective date, and the Prospectus as amended or supplemented, as of the date it was filed with the Commission, and any further amendments and supplements thereto made by the Company prior to the Time of Delivery for the Designated Securities, at their respective effective dates or respective dates of filing, as applicable (other than the financial statements and related schedules and other financial data included or incorporated by reference therein, as to which such counsel need express no opinion), comply as to form in all material respects with the requirements of the Act and the Trust Indenture Act and the rules and regulations thereunder; although such counsel does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, except for those referred to in subsection (xvi) of this Section 7(c) and those that relate to such counsel, such counsel has no

reason to believe that, as of its effective date, the Registration Statement or any further amendment thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of its date and on the date of such opinion, the Prospectus as amended or supplemented or any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Registration Statement has become, and as of the date of such opinion is, effective under the Act; any required filing of the Prospectus as amended or supplemented, pursuant to Rule 424(b) under the Act has been made in the manner and within the time period required by the applicable paragraph of such Rule 424(b); and no stop order suspending the effectiveness of the Registration Statement has been issued, and no proceedings for that purpose have been instituted or, to the best knowledge of such counsel, threatened under Section 8 of the Act;

(xiv) The delivery to the Trustee in the State of New York of the First Mortgage Bonds is effective to perfect the security interest in the First Mortgage Bonds on the date of such delivery and, assuming that the Trustee maintains possession of the First Mortgage Bonds in the State of New York, such security interest, insofar as it secures the related Designated Securities, is not subject to any present or future prior liens;

(xv) Except as otherwise set forth in the Prospectus as amended or supplemented, the Company has such valid franchises, certificates of convenience and necessity, operating rights, licenses, permits, consents, approvals, authorizations and orders of governmental bodies, political subdivisions or regulatory authorities then obtainable, free from unduly burdensome restrictions, as are necessary for the acquisition, construction, ownership, maintenance and operation of the properties now owned by it and the conduct of the business now carried on by it as described in the Registration Statement and the Prospectus as amended or supplemented, with minor exceptions that, in the opinion of such counsel, do not interfere with the practical operation of the Company's business, and, to the best of such counsel's knowledge, the Company is not in default or violation thereof in any material respect and is carrying on its business in substantial compliance therewith and with all applicable federal, state and other laws and regulations that are material to the Company;

(xvi) The statements set forth in the Prospectus as amended or supplemented with respect to the Designated Securities under the captions "Description of Senior Secured Debt Securities," "Description of First Mortgage Bonds" and "Description of Senior Secured Notes" insofar as they purport to constitute a summary of the terms of the Designated Securities are accurate summaries in all material respects;

(xvii) The principal plants and other important units of property of the Company are held by the Company in fee simple or are located on real property held by

the Company in fee simple, subject only to the lien of the Mortgage and to permitted and judgment liens as defined in the Mortgage, except that (a) a portion of the Osage plant reservoir, certain facilities at the Sioux plant, certain substations and most of the Company's transmission and distribution lines and gas mains are situated on lands occupied under leases, easements, franchises, licenses or permits; (b) the United States and/or State of Missouri own, or have or may have, paramount rights with respect to, certain lands lying in the bed of the Osage River or located between the inner and outer harbor lines of the Mississippi River, on which certain generating and other properties of the Company are located; and (c) the United States and/or State of Illinois and/or State of Iowa and/or city of Keokuk, Iowa, own, or have or may have, paramount rights with respect to, certain lands lying in the bed of the Mississippi River on which a portion of the Keokuk plant is located. Such counsel shall state that such exceptions do not in such counsel's opinion materially affect the title of the Company to its properties or its right to use its properties in connection with its business as presently conducted;

(xviii) The Mortgage constitutes a valid and direct first lien on substantially all the properties and franchises of the Company not expressly excepted from the lien thereof, subject to permitted liens as defined in the Mortgage and judgment liens with respect to which cash in the amount thereof has been deposited with the Mortgage Trustee; provided that the lien of the Indenture on real property of the Company acquired after the date of recordation of the supplemental indenture dated as of January 1, 1994 in each county where the Company owns property or conducts business, with respect to properties in Illinois or Iowa, and after the date of filing such supplemental indenture with the Secretary of State of the State of Missouri, with respect to properties in Missouri, may not be effective in some cases against creditors or purchasers for value without notice whose rights to such property attach prior to the recording of the Supplemental Indenture;

(xix) The statements in the Prospectus as amended or supplemented that are stated therein to have been made on the authority of such counsel have been reviewed by such counsel and, as to matters of law and legal conclusions, are correct; and

(xx) No recordation, registration or filing of the Indenture or any supplemental indenture or instrument of further assurance is necessary in the States of Missouri, Illinois or Iowa to make effective the security interest intended to be created by the Indenture with respect to the First Mortgage Bonds.

Such opinion shall also state that such counsel has no knowledge of any litigation, pending or threatened, that challenges the validity of the Designated Securities, the Indenture, the First Mortgage Bonds, the Mortgage or this Underwriting Agreement or the Pricing Agreement, or that seeks to enjoin the performance of the Company's obligations hereunder or thereunder or that might have a Material Adverse Effect except as disclosed in or contemplated by the Prospectus as amended or supplemented.

Such counsel's opinion with respect to title of the Company to its properties and the rank of the lien of the Mortgage and the Supplemental Indenture shall state that with regard to such properties located in Illinois, it is based on consultations with Illinois counsel and may be, with regard to its properties owned in fee, based in whole or in part on title searches made on recent dates by title abstract companies, by other attorneys or real estate employees of an affiliate of

the Company, and such counsel's opinion with regard to such other properties may be based in whole or in part on title examinations made and title opinions rendered at various times by other attorneys regarded by him as competent, and, with regard to all properties of the Company, upon his general familiarity with titles to properties of the Company; provided that such counsel's opinion is stated to be in reliance upon such title searches or opinions. Such counsel shall also state that such searches and opinions are satisfactory in scope and form to such counsel and that in such counsel's opinion, the Underwriters are justified in relying thereon. Copies of such title searches or opinions shall be furnished to counsel for the Underwriters upon their reasonable request.

In rendering such opinion, such counsel may rely (i) as to factual matters, upon certificates or written statements from appropriate representatives of the Company or upon certificates of public officials, and (ii) as to matters involving the application of the laws of the State of New York, upon the opinion of counsel for the Underwriters delivered to the Representatives pursuant to Section 7(b) hereof.

Such counsel's opinion may further state that it is addressed to the Representatives and is rendered solely for their benefit and may not be relied upon in any manner by any other person (other than counsel for the Underwriters as to certain matters involving the application of the laws of the States of Missouri, Illinois and Iowa in its opinion to the Underwriters at the Time of Delivery) without such counsel's prior written consent.

(d) On the date of the Pricing Agreement for such Designated Securities at a time prior to the execution of the Pricing Agreement with respect to such Designated Securities and at the Time of Delivery for such Designated Securities, PricewaterhouseCoopers LLP shall have furnished to the Representatives a letter, dated the date of such Pricing Agreement, and a letter dated such Time of Delivery, respectively, to the effect set forth in Annex II hereto, and in form and substance satisfactory to the Representatives;

(e) (i) The Company shall not have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended or supplemented prior to the date of the Pricing Agreement relating to the Designated Securities any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented prior to the date of the Pricing Agreement relating to the Designated Securities, and (ii) since the respective dates as of which information is given in the Prospectus as amended or supplemented prior to the date of the Pricing Agreement relating to the Designated Securities (x) the Company has not incurred any liabilities or obligations, direct or contingent, or entered into any transactions, not in the ordinary course of business, that are material to the Company and (y) there shall not have been any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented prior to the date of the Pricing Agreement relating to the Designated Securities, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Securities;

(f) On or prior to the Time of Delivery, the Representatives shall have received satisfactory evidence that the Designated Securities have received ratings of A+ or higher by Standard & Poor's and Aa3 or higher by Moody's Investors Service, Inc., and that such ratings are in effect at the Time of Delivery;

(g) On or after the date of the Pricing Agreement relating to the Designated Securities (i) no downgrading shall have occurred in the rating accorded the Company's debt securities or preferred stock by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities or preferred stock;

(h) On or after the date of the Pricing Agreement relating to the Designated Securities there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally by the Commission, the New York Stock Exchange or The Nasdaq Stock Market or any setting of minimum or maximum prices for trading thereon; (ii) a suspension or material limitation in trading in the Company's securities by the Commission, The New York Stock Exchange, the American Stock Exchange or The Nasdaq Stock Market; (iii) a general moratorium on commercial banking activities declared by Federal, New York State or Missouri State authorities or a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States; (iv) any outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Securities;

(i) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Underwriting Agreement or next succeeding the date of the Pricing Agreement, as applicable;

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Designated Securities a certificate or certificates of officers of the Company satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section and as to such other matters as the Representatives may reasonably request; and

(k) The Regulatory Orders shall be in full force and effect at the Time of Delivery.

8. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or

alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement (or, in the case of any action arising out of the issuance and sale of the Securities, in any prior registration statement to which the Prospectus, as a combined prospectus under Rule 429 under the Act, relates), the Prospectus as amended or supplemented and any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities.

(b) Each Underwriter severally and not jointly will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection

(a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by

such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in any such action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it or other indemnified parties that are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of any such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Securities on the other from the offering of the Designated Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or

payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection

(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Designated Securities in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Designated Securities which it has agreed to purchase under the Pricing Agreement relating to such Designated Securities, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Designated Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Designated Securities, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Underwriting Agreement shall include any person substituted under this Section 9 with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Securities.

(b) If, after giving effect to any arrangements for the purchase of the Designated Securities of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of such Designated Securities which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Designated Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Designated

Securities which such Underwriter agreed to purchase under the Pricing Agreement relating to such Designated Securities and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Designated Securities which such Underwriter agreed to purchase under such Pricing Agreement) of the Designated Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Designated Securities of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of Designated Securities which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Designated Securities, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Designated Securities of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Designated Securities shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Underwriting Agreement or made by or on behalf of them, respectively, pursuant to this Underwriting Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Securities.

11. If any Pricing Agreement shall be terminated pursuant to Section 9 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Designated Securities covered by such Pricing Agreement except as provided in Sections 6 and 8 hereof; but, if for any other reason Designated Securities are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Securities except as provided in Sections 6 and 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters of Designated Securities shall act on behalf of each of such Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement: Attention: Secretary; provided, however, that any notice

to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Underwriting Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 8 and 10 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Underwriting Agreement or any such Pricing Agreement. No purchaser of any of the Securities from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence of each Pricing Agreement. As used herein, "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business. As used herein, "New York Business Day" shall mean any day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

15. This Underwriting Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. This Underwriting Agreement and each Pricing Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof.

Very truly yours,

Union Electric Company d/b/a AmerenUE

By: /s/ Warner L. Baxter

Name: Warner L. Baxter

Title: Senior Vice President, Finance

Accepted as of the date hereof:

Banc of America Securities LLC
Credit Suisse First Boston Corporation
As Representatives of
the several Underwriters

c/o Credit Suisse First Boston Corporation
Eleven Madison Avenue
New York, New York 10010

By: Credit Suisse First Boston Corporation

By: /s/ Santino Basile

Name: Santino Basile

Title: Director

PRICING AGREEMENT

[Date]

Banc of America Securities LLC
Credit Suisse First Boston Corporation
As Representatives of
the several Underwriters
named in Schedule I hereto

c/o Credit Suisse First Boston Corporation
Eleven Madison Avenue
New York, New York 10010

Ladies and Gentlemen:

Union Electric Company d/b/a AmerenUE, a Missouri corporation (the "Company"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, dated _____, 2002 (the "Underwriting Agreement"), between the Company on the one hand and Banc of America Securities LLC and Credit Suisse First Boston Corporation, as Representatives of the several Underwriters on the other hand, to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the Securities specified in Schedule II hereto (the "Designated Securities"). Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Securities which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Securities pursuant to Section 12 of the Underwriting Agreement and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, relating to the Designated Securities, in the form heretofore delivered to you is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in

Schedule II hereto, the principal amount of Designated Securities set forth opposite the name of such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Union Electric Company d/b/a AmerenUE

By:
Name:

Title:

Accepted as of the date hereof:

Banc of America Securities LLC
Credit Suisse First Boston Corporation
As Representatives of
the several Underwriters
named in Schedule I hereto

By: Credit Suisse First Boston Corporation

By:
Name:
Title:

SCHEDULE I

Underwriter -----	Principal Amount of Designated Securities to be Purchased -----
Banc of America Securities LLC.....	\$
Credit Suisse First Boston Corporation.....	
Total.....	----- \$ =====

SCHEDULE II

Title of Designated Securities: % Senior Secured Notes due 20

Aggregate principal amount:

\$

Price to Public:

% of the principal amount of the Designated Securities, plus accrued interest[, if any,] from to [and accrued amortization[, if any,] from to]

Purchase Price by Underwriters:

% of the principal amount of the Designated Securities, plus accrued interest from to [and accrued amortization [, if any,] from to]

Form of Designated Securities:

Book-entry only form represented by one or more global securities deposited with The Depository Trust Company ("DTC") or its designated custodian, to be made available for checking by the Representatives at least twenty-four hours prior to the Time of Delivery at the offices of DTC in New York, New York or its designated custodian.

Specified funds for payment of purchase price:

Federal (same day) funds

Time of Delivery:

a.m. (New York City time),

First Mortgage Bonds:

Supplemental Indenture relating to First Mortgage Bonds:

Maturity:

Interest Rate:

[%] [Zero Coupon] [See Floating Rate Provisions]

Interest Payment Dates:

[months and dates, commencing _____, 19__]

Redemption Provisions:

[No provisions for redemption]

[The Designated Securities may be redeemed, otherwise than through the sinking fund, in whole or in part at the option of the Company, in the amount of [\$] or an integral multiple thereof,

[on or after , at the following redemption prices (expressed in percentages of principal amount). If [redeemed on or before , %, and if] redeemed during the 12-month period beginning ,

Year	Redemption Price
----	-----

and thereafter at 100% of their principal amount, together in each case with accrued interest to the redemption date.]

[on any interest payment date falling on or after , , at the election of the Company, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.]]

[Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

Sinking Fund Provisions:

[No sinking fund provisions]

[The Designated Securities are entitled to the benefit of a sinking fund to retire [\$] principal amount of Designated Securities on in each of the years through at 100% of their principal amount plus accrued interest[, together with [cumulative] [noncumulative] redemptions at the option of the Company to retire an additional [\$] principal amount of Designated Securities in the years through at 100% of their principal amount plus accrued interest.]

[IF DESIGNATED SECURITIES ARE EXTENDABLE DEBT SECURITIES, INSERT--

Extendable provisions:

Designated Securities are repayable on , [insert date and years], at the option of the holder, at their principal amount with accrued interest. The initial annual interest rate will be %, and thereafter the annual interest rate will be adjusted on , and to a rate not less than % of the effective annual interest rate on U.S. Treasury obligations with -year maturities as of the [insert date 15 days prior to maturity date] prior to such [insert maturity date].]

[IF DESIGNATED SECURITIES ARE FLOATING RATE DEBT SECURITIES, INSERT--

Floating rate provisions:

Initial annual interest rate will be % through [and thereafter will be adjusted [monthly] [on each , , and] [to an annual rate of % above the average rate for -year [month][securities][certificates of deposit] issued by and [insert names of banks].] [and the annual interest rate [thereafter] [from through] will be the interest yield equivalent of the weekly average per annum market

discount rate for -month Treasury bills plus % of Interest Differential (the excess, if any, of (i) the then current weekly average per annum secondary market yield for -month certificates of deposit over (ii) the then current interest yield equivalent of the weekly average per annum market discount rate for -month Treasury bills); [from and thereafter the rate will be the then current interest yield equivalent plus % of Interest Differential].]

Defeasance provisions:

Closing location for delivery of Designated Securities:

New York, New York

Additional Closing Conditions:

Names and addresses of Representatives:

Designated Representatives:

Banc of America Securities LLC
Credit Suisse First Boston Corporation

Address for Notices, etc.:

Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, North Carolina 28255

Credit Suisse First Boston Corporation Eleven Madison Avenue
New York, New York 10010

[Other Terms]*:

* A description of particular tax, accounting or other unusual features (such as the addition of event risk provisions) of the Designated Securities should be set forth, or referenced to an attached and accompanying description, if necessary, to ensure agreement as to the terms of the Designated Securities to be purchased and sold. Such a description might appropriately be in the form in which such features will be described in the Prospectus Supplement for the offering.

ANNEX II

Pursuant to Section 7(e) of the Underwriting Agreement, the accountants shall furnish letters to the Underwriters to the effect that:

- (i) They are independent certified public accountants with respect to the Company within the meaning of the Act and the applicable rules and regulations adopted by the Commission;
- (ii) In their opinion, the financial statements and financial statement schedules audited by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act or the Exchange Act, as applicable, and the related rules and regulations;
- (iii) They have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the unaudited condensed statements of income, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus and/or included in the Company's Quarterly Reports on Form 10-Q incorporated by reference into the Prospectus;
- (iv) The unaudited selected financial information with respect to the results of operations and financial position of the Company for the five most recent fiscal years included in the Prospectus and included or incorporated by reference in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for five such fiscal years included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;
- (v) They have compared the information in the Prospectus under selected captions with the disclosure requirements of Regulation S-K and on the basis of limited procedures specified in such letter nothing came to their attention as a result of the foregoing procedures that caused them to believe that this information does not conform in all material respects with the disclosure requirements of Items 301, 302, 402 and 503(d), respectively, of Regulation S-K;
- (vi) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company, inspection of the minute books of the Company since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:
 - (A) (i) the unaudited condensed statements of income, balance sheets and statements of cash flows included in the Prospectus and/or included or incorporated by reference in the Company's Quarterly Reports on Form 10-Q

incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the published rules and regulations adopted by the Commission, or (ii) any material modifications should be made to the unaudited condensed consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus or included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus for them to be in conformity with generally accepted accounting principles;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding items in the unaudited consolidated financial statements from which such data and items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited consolidated financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived the unaudited condensed financial statements referred to in clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in clause (B) were not determined on a basis substantially consistent with the basis for the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(D) any unaudited pro forma consolidated condensed financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the rules and regulations adopted by the Commission thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements;

(E) as of a specified date not more than five days prior to the date of such letter, there have been any changes in the capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus) or any increase in the long-term debt of the Company, or any decreases in net current assets or stockholder's equity or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(F) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in clause (E) there were any decreases in net revenues or operating

profit or the total or per share amounts of net income or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(vii) In addition to the audit referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (iii) and (vi) above, they have carried out certain specified procedures, not constituting an audit in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of the Company and its subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives or in documents incorporated by reference in the Prospectus specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and its subsidiaries and have found them to be in agreement.

All references in this Annex II to the Prospectus shall be deemed to refer to the Prospectus (including the documents incorporated by reference therein) as defined in the Underwriting Agreement as of the date of the letter delivered on the date of the Pricing Agreement for purposes of such letter and to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) in relation to the applicable Designated Securities for purposes of the letter delivered at the Time of Delivery for such Designated Securities.

EXHIBIT 4.1

**UNION ELECTRIC COMPANY
AND
THE BANK OF NEW YORK
TRUSTEE**

INDENTURE

DATED AS OF AUGUST 15, 2002

**CROSS REFERENCE SHEET SHOWING THE LOCATION IN THE INDENTURE OF THE
PROVISIONS INSERTED CORRELATIVE TO SECTIONS 310 THROUGH 318(a),
INCLUSIVE, OF THE TRUST INDENTURE ACT OF 1939**

Trust Indenture Act Section	Indenture Section
310(a)(1)	9.09
(a)(2)	9.09
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(a)(5)	9.09
(b)	9.08
(c)	Not Applicable
311(a)	9.14
(b)	9.14
(c)	Not Applicable
312(a)	7.01 and 7.02(a)
(b)	7.02(b)
(c)	7.02(c)
313(a)	7.04(a)
(b)	7.04(b)
(c)	7.04(d)
(d)	7.04(c)
314(a)	7.03 and 6.06
(b)	6.05
(c)(1)	1.03 and 15.05
(c)(2)	1.03 and 15.05
(c)(3)	Not Applicable
(d)	1.03 and 4.06
(e)	15.05(b)
(f)	Not Applicable
315(a)	9.01
(b)	8.08
(c)	9.01(a)
(d)	9.01(b)
(e)	8.09
316(a)	8.07 and 10.04
(b)	8.04(b) and 13.02
(c)	10.06
317(a)(1)	8.02(b)
(a)(2)	8.02(c)
(b)	5.02 and 6.04
318(a)	15.07

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

Table of Contents

	Page
ARTICLE I	DEFINITIONS.....1
Section 1.01	General.....1
Section 1.02	Trust Indenture Act.....1
Section 1.03	Definitions.....2
ARTICLE II	FORM, ISSUE, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES.....8
Section 2.01	Forms Generally.....8
Section 2.02	Form Of Trustee's Certificate Of Authentication.....8
Section 2.03	Amount Unlimited.....8
Section 2.04	Denominations, Dates, Interest Payment And Record Dates.....8
Section 2.05	Execution, Authentication, Delivery And Dating.....9
Section 2.06	Exchange And Registration Of Transfer Of Notes.....13
Section 2.07	Mutilated, Destroyed, Lost Or Stolen Notes.....14
Section 2.08	Temporary Notes.....15
Section 2.09	Cancellation Of Notes Paid, Etc.....15
Section 2.10	Interest Rights Preserved.....15
Section 2.11	Special Record Date.....15
Section 2.12	Payment Of Notes.....16
Section 2.13	Notes Issuable In The Form Of A Global Note.....17
Section 2.14	CUSIP and ISIN Numbers.....19
ARTICLE III	REDEMPTION OF NOTES.....19
Section 3.01	Applicability Of Article.....19
Section 3.02	Notice Of Redemption; Selection Of Notes.....19
Section 3.03	Payment Of Notes On Redemption; Deposit Of Redemption Price.....20
ARTICLE IV	SENIOR NOTE FIRST MORTGAGE BONDS.....21
Section 4.01	Delivery Of Initial Series Of Senior Note First Mortgage Bonds.....21
Section 4.02	Receipt.....21
Section 4.03	Senior Note First Mortgage Bonds Held By The Trustee.....21
Section 4.04	No Transfer Of Senior Note First Mortgage Bonds; Exceptions.....22
Section 4.05	Delivery To The Company Of All Senior Note First Mortgage Bonds.....22
Section 4.06	Fair Value Certificate.....22
Section 4.07	Further Assurances.....23
Section 4.08	Exchange And Surrender Of Senior Note First Mortgage Bonds.....23
Section 4.09	Acceptance Of Additional Senior Note First Mortgage Bonds.....24
Section 4.10	Terms Of Senior Note First Mortgage Bonds.....24
Section 4.11	Senior Note First Mortgage Bonds As Security For Notes.....24
ARTICLE V	SATISFACTION AND DISCHARGE; UNCLAIMED MONEYS.....25
Section 5.01	Satisfaction And Discharge.....25

Section 5.02	Deposited Moneys To Be Held In Trust By Trustee.....	27
Section 5.03	Paying Agent To Repay Moneys Held.....	27
Section 5.04	Return Of Unclaimed Moneys.....	27
ARTICLE VI	PARTICULAR COVENANTS OF THE COMPANY.....	27
Section 6.01	Payment Of Principal And Interest.....	27
Section 6.02	Offices For Payments, Etc.....	27
Section 6.03	Appointment To Fill A Vacancy In Office Of Trustee.....	28
Section 6.04	Provision As To Paying Agent.....	28
Section 6.05	Opinions Of Counsel.....	29
Section 6.06	Certificates And Notice To Trustee.....	30
Section 6.07	Restrictions On Liens.....	30
Section 6.08	Restrictions On Sale And Lease-Back Transactions.....	32
Section 6.09	Corporate Existence.....	32
ARTICLE VII	NOTEHOLDER LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE.....	32
Section 7.01	Company To Furnish Noteholder Lists.....	32
Section 7.02	Preservation and Disclosure of Noteholder Lists.....	33
Section 7.03	Reports By The Company.....	34
Section 7.04	Reports By The Trustee.....	35
ARTICLE VIII	REMEDIES OF THE TRUSTEE AND NOTEHOLDERS ON EVENTS OF DEFAULT.....	35
Section 8.01	Events Of Default.....	35
Section 8.02	Collection Of Indebtedness By Trustee; Trustee May Prove Debt.....	37
Section 8.03	Application Of Proceeds.....	39
Section 8.04	Limitations On Suits By Noteholders.....	40
Section 8.05	Suits For Enforcement.....	40
Section 8.06	Powers And Remedies Cumulative; Delay Or Omission Not Waiver Of Default.....	40
Section 8.07	Direction of Proceedings and Waiver of Defaults By Majority of Noteholders.....	41
Section 8.08	Notice of Default.....	41
Section 8.09	Undertaking To Pay Costs.....	42
Section 8.10	Restoration of Rights on Abandonment of Proceedings.....	42
Section 8.11	Defaults Under The First Mortgage.....	42
Section 8.12	Waiver of Usury, Stay or Extension Laws.....	42
ARTICLE IX	CONCERNING THE TRUSTEE.....	42
Section 9.01	Duties and Responsibilities of Trustee.....	42
Section 9.02	Reliance on Documents, Opinions, Etc.....	44
Section 9.03	No Responsibility For Recitals, Etc.....	45
Section 9.04	Trustee, Authenticating Agent, Paying Agent Or Registrar May Own Notes.....	45
Section 9.05	Moneys To Be Held In Trust.....	45
Section 9.06	Compensation And Expenses Of Trustee.....	45

Section 9.07	Officers' Certificate As Evidence.....	45
Section 9.08	Conflicting Interest Of Trustee.....	46
Section 9.09	Existence And Eligibility Of Trustee.....	46
Section 9.10	Resignation Or Removal Of Trustee.....	46
Section 9.11	Appointment Of Successor Trustee.....	47
Section 9.12	Acceptance By Successor Trustee.....	47
Section 9.13	Succession By Merger, Etc.....	48
Section 9.14	Limitations On Rights Of Trustee As A Creditor.....	48
Section 9.15	Authenticating Agent.....	48
ARTICLE X	CONCERNING THE NOTEHOLDERS.....	49
Section 10.01	Action By Noteholders.....	49
Section 10.02	Proof Of Execution By Noteholders.....	49
Section 10.03	Persons Deemed Absolute Owners.....	49
Section 10.04	Company-Owned Notes Disregarded.....	50
Section 10.05	Revocation Of Consents; Future Holders Bound.....	50
Section 10.06	Record Date For Noteholder Acts.....	50
ARTICLE XI	NOTEHOLDERS' MEETING.....	51
Section 11.01	Purposes Of Meetings.....	51
Section 11.02	Call Of Meetings By Trustee.....	51
Section 11.03	Call Of Meetings By Company Or Noteholders.....	51
Section 11.04	Qualifications For Voting.....	51
Section 11.05	Regulations.....	52
Section 11.06	Voting.....	52
Section 11.07	Rights Of Trustee Or Noteholders Not Delayed.....	53
ARTICLE XII	CONSOLIDATION, MERGER, SALE, TRANSFER OR CONVEYANCE.....	53
Section 12.01	Company May Consolidate, Etc. Only On Certain Terms.....	53
Section 12.02	Successor Corporation Substituted.....	53
ARTICLE XIII	SUPPLEMENTAL INDENTURES.....	54
Section 13.01	Supplemental Indentures Without Consent Of Noteholders.....	54
Section 13.02	Supplemental Indentures With Consent Of Noteholders.....	55
Section 13.03	Compliance With Trust Indenture Act; Effect Of Supplemental Indentures.....	56
Section 13.04	Notation On Notes.....	56
Section 13.05	Evidence Of Compliance Of Supplemental Indenture To Be Furnished Trustee.....	57
ARTICLE XIV	IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.....	57
Section 14.01	Indenture And Notes Solely Corporate Obligations.....	57
ARTICLE XV	MISCELLANEOUS PROVISIONS.....	57
Section 15.01	Provisions Binding On Company's Successors.....	57

Section 15.02	Official Acts By Successor Corporation.....	57
Section 15.03	Notices.....	57
Section 15.04	Governing Law.....	58
Section 15.05	Evidence Of Compliance With Conditions Precedent.....	58
Section 15.06	Business Days.....	59
Section 15.07	Trust Indenture Act To Control.....	59
Section 15.08	Table Of Contents, Headings, Etc.....	59
Section 15.09	Execution In Counterparts.....	59
Section 15.10	Manner Of Mailing Notice To Noteholders.....	59
Section 15.11	Approval By Trustee Of Expert Or Counsel.....	60

EXHIBIT A- Form of Global Note Prior to Release Date EXHIBIT B- Form of Note Prior to Release Date EXHIBIT C- Form of Global Note Following Release Date EXHIBIT D- Form of Note Following Release Date

THIS INDENTURE, dated as of August 15, 2002, between UNION ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the State of Missouri (the "COMPANY"), and The Bank of New York, a New York banking corporation, as trustee (the "TRUSTEE").

WITNESSETH

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its Notes (as hereinafter defined), to be issued as in this Indenture provided;

WHEREAS, subject to the provisions of Section 4.11 hereof, the Company has issued a series of Senior Note First Mortgage Bonds (as hereinafter defined) and has delivered such series to the Trustee to hold in trust for the benefit of the respective Holders (as hereinafter defined) from time to time of the Notes, and, subject to the terms and provisions hereof, the Company may deliver additional series of Senior Note First Mortgage Bonds to the Trustee for such purpose or require the Trustee to deliver to the Company, for cancellation, any and all Senior Note First Mortgage Bonds held by the Trustee;

AND WHEREAS, all acts and things necessary to make this Indenture a valid agreement according to its terms have been done and performed, and the execution of this Indenture and the issue hereunder of the Notes have in all respects been duly authorized;

NOW THEREFORE, THIS INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Notes are, and are to be authenticated, issued and delivered, and in consideration of the premises, of the purchase and acceptance of the Notes by the Holders thereof and of the sum of one dollar duly paid to it by the Trustee at the execution of this Indenture, the receipt whereof is hereby acknowledged, the Company covenants and agrees with the Trustee for the equal and proportionate benefit of the respective Holders from time to time of the Notes, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 GENERAL. The terms defined in this Article I (whether or not capitalized and except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto or Company Order (as hereinafter defined) shall have the respective meanings specified in this Article I.

Section 1.02 TRUST INDENTURE ACT. (a) Whenever this Indenture refers to a provision of the Trust Indenture Act of 1939 (the "TIA"), such provision is incorporated by reference in and made a part of this Indenture.

(b) Unless otherwise indicated, all terms used in this Indenture that are defined by the TIA, defined by the TIA by reference to another statute or defined by a rule of the

Commission under the TIA shall have the meanings assigned to them in the TIA or such statute or rule as in force on the date of execution of this Indenture.

Section 1.03 DEFINITIONS. For purposes of this Indenture, the following terms shall have the following meanings.

"AUTHENTICATING AGENT" shall mean any agent of the Trustee which shall be appointed and acting pursuant to Section 9.15 hereof.

"AUTHORIZED AGENT" shall mean any agent of the Company designated as such by an Officers' Certificate delivered to the Trustee.

"BOARD OF DIRECTORS" shall mean the Board of Directors of the Company or any duly authorized committee of such Board.

"BOARD RESOLUTION" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"BUSINESS DAY" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions or trust companies in the Borough of Manhattan, the City and State of New York, or in the city where the corporate trust office of the Trustee is located, are obligated or authorized by law or executive order to close.

"CAPITAL LEASE" shall mean any lease which has been or would be capitalized on the books of the lessee in accordance with GAAP.

"CAPITALIZATION" shall mean the total of all the following items appearing on, or included in, the consolidated balance sheet of the Company: (i) liabilities for Debt maturing more than twelve (12) months from the date of determination; and (ii) common stock, preferred stock or other securities, Hybrid Preferred Securities, premium on capital stock, capital surplus, capital in excess of par value, and retained earnings (however the foregoing may be designated), less, to the extent not otherwise deducted, the cost of shares of capital stock of the Company held in its treasury. Subject to the foregoing, Capitalization shall be determined in accordance with generally accepted accounting principles and practices applicable to the type of business in which the Company is engaged and that are approved by independent accountants regularly retained by the Company, and may be determined as of a date not more than sixty (60) days prior to the happening of an event for which such determination is being made.

"COMMISSION" shall mean the United States Securities and Exchange Commission, or if at any time hereafter the Commission is not existing or performing the duties now assigned to it under the TIA, then the body performing such duties.

"COMPANY" shall mean the corporation named as the "Company" in the first paragraph of this Indenture, and its successors and assigns permitted hereunder.

"COMPANY ORDER" shall mean a written order or certificate signed in the name of the Company by one of the Chairman, the President, any Vice President (whether or not designated

by a number or numbers or a word or words added before or after the title "Vice President"), the Chief Financial Officer, Treasurer or an Assistant Treasurer of the Company, and delivered to the Trustee. At the Company's option, a Company Order may take the form of a supplemental indenture to this Indenture.

"CONSOLIDATED SUBSIDIARY" shall mean any Subsidiary whose accounts are or are required to be consolidated with the accounts of the Company in accordance with GAAP.

"CORPORATE TRUST OFFICE OF THE TRUSTEE", or other similar term, shall mean the corporate trust office of the Trustee, at which at any particular time its corporate trust business shall be principally administered, which office is at the date of the execution of this Indenture located at 101 Barclay Street, Floor 21W, New York, New York 10286.

"DEBT" shall mean any outstanding debt for money borrowed of the Company evidenced by notes, debentures, bonds, or other securities, or guarantees by the Company (without duplication) of any thereof.

"DEPOSITARY" shall mean, unless otherwise specified in a Company Order pursuant to Section 2.05 hereof, The Depository Trust Company, New York, New York ("DTC"), or any successor thereto registered and qualified as a clearing agency under the Securities Exchange Act of 1934, or other applicable statute or regulation.

"EVENT OF DEFAULT" shall mean any event specified in Section 8.01 hereof, continued for the period of time, if any, and after the giving of the notice, if any, therein designated.

"EXPERT" shall mean any officer of the Company familiar with the terms of the First Mortgage and this Indenture, any law firm, any investment banking firm, or any other Person, satisfactory in the reasonable judgment of the Trustee.

"FIRST MORTGAGE" shall mean the Indenture of Mortgage and Deed of Trust, dated June 15, 1937 between the Company and The Bank of New York, as successor trustee, as supplemented and amended from time to time.

"FIRST MORTGAGE BONDS" shall mean all first mortgage bonds issued by the Company and outstanding under the First Mortgage, other than Senior Note First Mortgage Bonds.

"GAAP" shall mean generally accepted accounting principles in the United States of America as in effect on the date hereof, applied on a basis consistent with those used in the preparation of any financial statements referred to herein, unless otherwise stated herein.

"GLOBAL NOTE" shall mean a Note that, pursuant to Section 2.05 hereof, is issued to evidence Notes, that is delivered to the Depository or pursuant to the instructions of the Depository and that shall be registered in the name of the Depository or its nominee.

"HYBRID PREFERRED SECURITIES" shall mean any preferred securities issued by a Hybrid Preferred Securities Subsidiary, where such preferred securities have the following characteristics:

- (i) such Hybrid Preferred Securities Subsidiary lends substantially all of the proceeds from the issuance of such preferred securities to the Company in exchange for Debt issued by the Company; and
- (ii) the Company makes periodic interest payments on the related debt, which interest payments are in turn used by the Hybrid Preferred Securities Subsidiary to make corresponding payments to the holders of the Hybrid Preferred Securities.

"HYBRID PREFERRED SECURITIES SUBSIDIARY" shall mean any business trust (or similar entity) (i) all of the common equity interest of which is owned (either directly or indirectly through one or more wholly-owned Subsidiaries of the Company or any Consolidated Subsidiary of the Company) at all times by the Company, (ii) that has been formed for the purpose of issuing Hybrid Preferred Securities and (iii) substantially all of the assets of which consist at all times solely of Junior Subordinated Indebtedness issued by the Company and payments made from time to time on such Junior Subordinated Indebtedness.

"INDENTURE" shall mean this instrument as originally executed or, if amended or supplemented as herein provided, as so amended or supplemented, and shall include the terms and provisions of a particular series of Notes established pursuant to Section 2.05 hereof.

"INTEREST PAYMENT DATE", when used with respect to any Note, shall mean (a) each date designated as such for the payment of interest on such Note specified in a Company Order pursuant to Section 2.05 hereof (provided that the first Interest Payment Date for such Note, the Original Issue Date of which is after a Regular Record Date but prior to the respective Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date),

(b) a date of Maturity of such Note and (c) only with respect to defaulted interest on such Note, the date established by the Trustee for the payment of such defaulted interest pursuant to Section 2.11 hereof.

"JUNIOR SUBORDINATED INDEBTEDNESS" shall mean any unsecured Debt of the Company (i) issued in exchange for the proceeds of Hybrid Preferred Securities and (ii) subordinated to the rights of the Holders hereunder.

"LIEN" shall mean any mortgage, security interest, pledge, lien or other encumbrance.

"MATURITY," when used with respect to any Note, shall mean the date on which the principal of such Note becomes due and payable as therein or herein provided, whether at the Stated Maturity thereof or by declaration of acceleration, redemption or otherwise.

"MORTGAGE TRUSTEE" shall mean the Person serving as corporate trustee at the time under the First Mortgage.

"NOTE" or "NOTES" shall mean any Notes authenticated and delivered under this Indenture, including any Global Note.

"NOTEHOLDER", "HOLDER OF NOTES" or "HOLDER" shall mean any Person in whose name at the time a particular Note is registered on the books of the Trustee kept for that purpose in accordance with the terms hereof.

"OFFICERS' CERTIFICATE" when used with respect to the Company, shall mean a certificate signed by one of the Chairman, the President or any Vice President (whether or not designated by a number or numbers or a word or words added before or after the title "Vice President"), and by the Chief Financial Officer, Treasurer, any Assistant Treasurer, the Secretary or an Assistant Secretary of the Company; provided, that no individual shall be entitled to sign in more than one capacity.

"OPERATING PROPERTY" shall mean (i) any interest in real property owned by the Company and (ii) any asset owned by the Company that is depreciable in accordance with GAAP, excluding, in either case, any interest of the Company as lessee under a Capital Lease (except for a lease that results from a Sale and Lease-Back Transaction).

"OPINION OF COUNSEL" shall mean an opinion in writing signed by legal counsel, who may be an employee of the Company, meeting the applicable requirements of Section 15.05 hereof. If the Indenture requires the delivery of an Opinion of Counsel to the Trustee, the text and substance of which has been previously delivered to the Trustee, the Company may satisfy such requirement by the delivery by the legal counsel that delivered such previous Opinion of Counsel of a letter to the Trustee to the effect that the Trustee may rely on such previous Opinion of Counsel as if such Opinion of Counsel was dated and delivered the date delivery of such Opinion of Counsel is required. Any Opinion of Counsel may contain reasonable conditions and qualifications satisfactory to the Trustee.

"ORIGINAL ISSUE DATE" shall mean for a Note, or portions thereof, the date upon which it, or such portion, was issued by the Company pursuant to this Indenture and authenticated by the Trustee (other than in connection with a transfer, exchange or substitution).

"OUTSTANDING", when used with reference to Notes, shall, subject to Section 10.04 hereof, mean, as of any particular time, all Notes authenticated and delivered by the Trustee under this Indenture, except

- (a) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) Notes, or portions thereof, for the payment or redemption of which moneys in the necessary amount shall have been deposited in trust with the Trustee or with any paying agent (other than the Company), PROVIDED that if such Notes are to be redeemed prior to the Stated Maturity thereof, notice of such redemption shall have been given as provided in Article III, or provisions satisfactory to the Trustee shall have been made for giving such notice;
- (c) Notes, or portions thereof, that have been paid and discharged or are deemed to have been paid and discharged pursuant to the provisions of this Indenture; and
- (d) Notes in lieu of or in substitution for which other Notes shall have been authenticated and delivered, or which have been paid, pursuant to Section 2.07 hereof.

"PERIODIC OFFERING" means an offering of Notes of a series from time to time the specific terms of which Notes, including without limitation the rate or rates of interest, if any, thereon, the Stated Maturity or Maturities thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Company or its agents upon the issuance of such Notes.

"PERSON" shall mean any individual, corporation, company partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization or government or any agent or political subdivision thereof.

"PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY" shall mean 1901 Chouteau Avenue, St. Louis, Missouri 63103, or such other place where the main corporate offices of the Company are located as designated in writing to the Trustee by an Authorized Agent.

"REGULAR RECORD DATE" shall mean, unless otherwise specified in a Company Order pursuant to Section 2.05 hereof, for an Interest Payment Date for a particular Note (except for an Interest Payment Date with respect to defaulted interest on such Note) (a) the fifteenth day next preceding each Interest Payment Date (unless the Interest Payment Date is the date of Maturity of such Note, in which event, the Regular Record Date shall be as described in clause (b) hereof) and (b) the date of Maturity of such Note.

"RELATED SERIES OF NOTES" shall mean, when used in reference to the First Mortgage Bonds, Senior Notes Series AA, the Company's 5.25% Senior Secured Notes due 2012, and, when used in reference to another series of Senior Note First Mortgage Bonds, shall mean the series of Notes in respect of which such series of Senior Note First Mortgage Bonds were delivered to the Trustee pursuant to Section 4.09 hereof upon the initial authentication and issuance of such series of Notes pursuant to Section 2.05 hereof.

"RELATED SERIES OF SENIOR NOTE FIRST MORTGAGE BONDS" shall mean, when used in reference to the Company's 5.25% Senior Secured Notes due 2012, the First Mortgage Bonds, Senior Notes Series AA, and, when used in reference to any other series of Notes, shall mean the series of Senior Note First Mortgage Bonds delivered to the Trustee pursuant to Section 4.09 hereof in connection with the initial authentication and issuance of such series of Notes pursuant to Section 2.05 hereof.

"RELEASE DATE" shall mean the date as of which all First Mortgage Bonds have been retired through payment, redemption, or otherwise at, before or after the maturity thereof.

"RESPONSIBLE OFFICER" or "RESPONSIBLE OFFICERS" when used with respect to the Trustee shall mean one or more of the following: any assistant vice president, any assistant treasurer, any trust officer, any assistant trust officer, or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his or her knowledge of and familiarity with the particular subject.

"SALE AND LEASE-BACK TRANSACTION" shall mean any arrangement with any Person providing for the leasing to the Company of any Operating Property (except for leases for

a term, including any renewal thereof, of not more than forty-eight (48) months), which Operating Property has been or is to be sold or transferred by the Company to such Person; PROVIDED, HOWEVER, Sale and Lease-Back Transaction shall not include any arrangement first entered into prior to the date of this Indenture.

"SENIOR NOTE FIRST MORTGAGE BONDS" shall mean the First Mortgage Bonds, Senior Notes Series AA issued by the Company pursuant to the Supplemental Indenture to the First Mortgage dated August 15, 2002 and any other first mortgage bonds issued by the Company under the First Mortgage pursuant to supplemental indentures to the First Mortgage and delivered to the Trustee pursuant to Section 4.09 hereof.

"SPECIAL RECORD DATE" shall mean, with respect to any Note, the date established by the Trustee in connection with the payment of defaulted interest on such Note pursuant to Section 2.11 hereof.

"STATED MATURITY" shall mean with respect to any Note, the last date on which principal on such Note becomes due and payable as therein or herein provided, other than by declaration of acceleration or by redemption.

"SUBSIDIARY" shall mean, as to any Person, any corporation or other entity of which at least a majority of the securities or other ownership interest having ordinary voting power (absolutely or contingently) for the election of directors or other Persons performing similar functions are at the time owned directly or indirectly by such Person.

"TRUSTEE" shall mean The Bank of New York and, subject to Article IX, shall also include any successor Trustee.

"U.S. GOVERNMENT OBLIGATIONS" shall mean (i) direct non-callable obligations of, or non-callable obligations guaranteed as to timely payment of principal and interest by, the United States of America or obligations of a person controlled or supervised by and acting as an agency or instrumentality thereof for the payment of which obligations or guarantees the full faith and credit of the United States is pledged or (ii) certificates or receipts representing direct ownership interests in obligations or specified portions (such as principal or interest) of obligations described in clause (i) above, which obligations are held by a custodian in safekeeping in a manner satisfactory to the Trustee.

"VALUE" shall mean, with respect to a Sale and Lease-Back Transaction, as of any particular time, the amount equal to the greater of (i) the net proceeds to the Company from the sale or transfer of the property leased pursuant to such Sale and Lease-Back Transaction and (ii) the net book value of such property, as determined in accordance with generally accepted accounting principles by the Company at the time of entering into such Sale and Lease-Back Transaction, in either case multiplied by a fraction, the numerator of which shall be equal to the number of full years of the term of the lease that is part of such Sale and Lease-Back Transaction remaining at the time of determination and the denominator of which shall be equal to the number of full years of such term, without regard, in any case, to any renewal or extension options contained in such lease.

ARTICLE II

FORM, ISSUE, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 FORMS GENERALLY. (a) If the Notes are in the form of a Global Note they shall be in substantially the form set forth in Exhibit A (or, following the Release Date, Exhibit C) to this Indenture, and, if the Notes are not in the form of a Global Note, they shall be in substantially the form set forth in Exhibit B (or, following the Release Date, Exhibit D) to this Indenture, or, in any case, in such other form as shall be established by a Company Order pursuant to Section 2.05(c) hereof, or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with applicable rules of any securities exchange or of the Depository or with applicable law or as may, consistently herewith, be determined by the officers executing such Notes, as evidenced by their execution of such Notes.

(b) The definitive Notes shall be typed, printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Notes, as evidenced by their execution of such Notes.

Section 2.02 FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION. The Trustee's certificate of authentication on all Notes shall be in substantially the following form:

Trustee's Certificate of Authentication

This Note is one of the Notes of the series herein designated, described or provided for in the within-mentioned Indenture.

The Bank of New York, As Trustee

By:
Authorized Signatory

Section 2.03 AMOUNT UNLIMITED. The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is unlimited, subject to compliance with the provisions of this Indenture.

Section 2.04 DENOMINATIONS, DATES, INTEREST PAYMENT AND RECORD DATES. (a) The Notes of each series shall be issuable in registered form without coupons in denominations of \$1,000 and integral multiples thereof or such other amount or amounts as may be authorized by the Board of Directors or a Company Order pursuant to a Board Resolution or in one or more indentures supplemental hereto; PROVIDED, that the principal amount of a Global Note shall not exceed \$500,000,000 unless otherwise permitted by the Depository.

(b) Each Note shall be dated and issued as of the date of its authentication by the Trustee, and shall bear an Original Issue Date; each Note issued upon transfer, exchange or substitution of a Note shall bear the Original Issue Date or Dates of such transferred, exchanged or substituted Note, subject to the provisions of Section 2.13(d) hereof.

(c) Each Note shall accrue interest from the later of (1) its Original Issue Date or the date specified in such Note and (2) the most recent date to which interest has been paid or duly provided for with respect to such Note until the principal of such Note is paid or made available for payment, and interest on each Note shall be payable on each Interest Payment Date after the Original Issue Date.

(d) Each Note shall mature on a Stated Maturity specified in the Note. The principal amount of each outstanding Note shall be payable on the Stated Maturity date specified therein.

(e) Unless otherwise specified in a Company Order pursuant to Section 2.05 hereof, interest on each of the Notes shall be calculated on the basis of a 360-day year of twelve 30-day months (and for any partial periods shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months) and shall be computed at a fixed rate until the Stated Maturity of such Notes. The method of computing interest on any Notes not bearing a fixed rate of interest shall be set forth in a Company Order pursuant to Section 2.05 hereof. Unless otherwise specified in a Company Order pursuant to Section 2.05 hereof, principal, interest and premium on the Notes shall be payable in the currency of the United States.

(f) Except as provided in the following sentence, the Person in whose name any Note is registered at the close of business on any Regular Record Date or Special Record Date with respect to an Interest Payment Date for such Note shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Note upon any registration of transfer, exchange or substitution of such Note subsequent to such Regular Record Date or Special Record Date and prior to such Interest Payment Date. Any interest payable at Maturity shall be paid to the Person to whom the principal of such Note is payable.

(g) So long as the Trustee is the registrar and paying agent, the Trustee shall, as soon as practicable but no later than the Regular Record Date preceding each applicable Interest Payment Date, provide to the Company a list of the principal, interest and premium to be paid on Notes on such Interest Payment Date. The Trustee shall assume responsibility for withholding taxes on interest paid as required by law except with respect to any Global Note.

Section 2.05 EXECUTION, AUTHENTICATION, DELIVERY AND DATING.

(a) The Notes shall be executed on behalf of the Company by one of its Chairman, President, any Vice President (whether or not designated by a number or numbers or a word or words added before or after the title "Vice President"), its Treasurer or an Assistant Treasurer of the Company and attested by the Secretary or an Assistant Secretary of the Company. The signature of any of these officers on the Notes may be manual or facsimile.

Typographical and other minor errors or defects in any such signature shall not affect the validity or enforceability of any Note that has been duly authenticated and delivered by the Trustee.

(b) Notes bearing the manual or facsimile signatures of individuals who were at the time of execution the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes.

(c) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes of any series executed by the Company to the Trustee for authentication, together with or preceded by one or more Company Orders for the authentication and delivery of such Notes, and the Trustee in accordance with any such Company Order shall authenticate and make available for delivery such Notes; provided, however, that, with respect to Notes of a series subject to a Periodic Offering, (A) such Company Order may be delivered by the Company to the Trustee prior to the delivery to the Trustee of such Notes for authentication and delivery, (B) the Trustee shall authenticate and deliver Notes of such series for original issue from time to time, in an aggregate principal amount not exceeding the aggregate principal amount established for such series, all pursuant to a further Company Order or pursuant to such procedures acceptable to the Trustee as may be specified from time to time by such further Company Order, (C) the Stated Maturity or Maturities, Original Issue Date or Dates, interest rate or rates and any other terms of Notes of such series shall be determined by such further Company Order or pursuant to such procedures and (D) if provided for in such procedures, such Company Order may authorize authentication and delivery pursuant to oral or electronic instructions from the Company or its duly authorized agent or agents, which oral instructions shall be promptly confirmed in writing. Such Company Order shall specify the following with respect to each series of Notes: (i) the title of the Notes of such series (which shall distinguish the Notes of such series from Notes of all other series) and any limitations on the aggregate principal amount of the Notes to be issued as part of such series, (ii) the Original Issue Date for such series, (iii) the Stated Maturity of Notes of such series, (iv) the interest rate or rates, or method of calculation of such rate or rates, for such series and the date from which such interest will accrue, (v) the terms, if any, regarding the optional or mandatory redemption of such series, including redemption date or dates of such series, if any, and the price or prices applicable to such redemption, (vi) whether or not the Notes of such series shall be issued in whole or in part in the form of a Global Note and, if so, the Depository for such Global Note if not DTC, (vii) if the form of the Notes of such series is not as described in Exhibit A, Exhibit B, Exhibit C or Exhibit D hereto, the form of the Notes of such series, (viii) the maximum annual interest rate, if any, of the Notes permitted for such series, (ix) the period or periods within which, the price or prices at which and the terms and conditions upon which such series may be repaid, in whole or in part, at the option of the Holder thereof, (x) if prior to the Release Date, the designation of the Related Series of Senior Note First Mortgage Bonds being delivered to the Trustee in connection with the issuance of such series of Notes, (xi) the establishment of any office or agency pursuant to Section 6.02 hereof, and (xii) any other terms of such series not inconsistent with this Indenture. With respect to Notes of a series subject to a Periodic Offering, such Company Order may provide general terms or parameters for Notes of such series and provide either that the specific terms of particular Notes of such series shall be specified in a further Company Order or that such terms shall be determined by the Company or its agents in accordance with such further Company Order as contemplated by the proviso of the

first sentence of this Section 2.05(c). Prior to authenticating Notes of any series, and in accepting the additional responsibilities under this Indenture in relation to such Notes, the Trustee shall receive from the Company the following at or before the issuance of such series of Notes, and (subject to Section 9.01 hereof) shall be fully protected in relying upon, unless and until such documents have been superseded or revoked prior to such issuance:

(1) A Board Resolution authorizing such Company Order or Orders and, if the form of Notes is established by a Board Resolution or a Company Order pursuant to a Board Resolution, a copy of such Board Resolution;

(2) At the option of the Company, either an Opinion of Counsel or a letter addressed to the Trustee permitting it to rely on an Opinion of Counsel, stating substantially the following subject to customary qualifications and exceptions:

(A) if the form of such Notes has been established by or pursuant to a Board Resolution, a Company Order pursuant to a Board Resolution, or in a supplemental indenture as permitted by Section 2.01 hereof, that such form has been established in conformity with this Indenture;

(B) that the Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights, the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions of the Indenture may be limited by state laws affecting the remedies for the enforcement of the security provided for in the Indenture;

(C) if prior to the Release Date, that the Related Series of Senior Note First Mortgage Bonds being delivered to the Trustee in connection with the issuance of such series of Notes have been duly authorized, executed and delivered, and that such Senior Note First Mortgage Bonds are valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights and the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions thereof may be limited by state laws affecting the remedies for the enforcement of the security provided for in the First Mortgage; and that such Senior Note First Mortgage Bonds are entitled to the benefit of the First Mortgage, equally and ratably, with all First Mortgage Bonds and other Senior Note First Mortgage Bonds (if any) outstanding thereunder, except as to sinking fund provisions;

(D) that this Indenture and, if prior to the Release Date, the First Mortgage are qualified to the extent necessary under the TIA;

(E) that such Notes have been duly authorized and executed by the Company, and when authenticated by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights, the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions of this Indenture may be limited by state laws affecting the remedies for the enforcement of the security provided for in this Indenture;

(F) that the issuance of such Notes and, if prior to the Release Date, the delivery by the Company of the Related Series of Senior Note First Mortgage Bonds in connection therewith will not result in any default under this Indenture or (if applicable) the First Mortgage;

(G) that all consents or approvals of the Missouri Public Service Commission (or any successor agency), the Illinois Commerce Commission (or any successor agency) and of any other federal or state regulatory agency required in connection with the Company's execution and delivery of this Indenture, such Notes and any Senior Note First Mortgage Bonds have been obtained and are in full force and effect (except that no statement need be made with respect to state securities laws);

(H) if prior to the Release Date, that the First Mortgage and all financing statements have been duly filed and recorded in all places where such filing or recording is necessary for the perfection or preservation of the lien of the First Mortgage, and the First Mortgage constitutes a valid and perfected first lien upon the property purported to be covered thereby, subject only to "permitted liens" and certain "judgment liens" (each as defined in the First Mortgage) and to liens upon the property, if any, specifically identified in the supplemental indenture related to a Related Series of Senior Note First Mortgage Bonds prior to its recordation; and

(I) that all conditions that must be met by the Company to issue Notes under this Indenture have been met.

(3) If prior to the Release Date, the certificate of an Expert meeting the requirements of Section 4.06(a) hereof and a series of Senior Note First Mortgage Bonds meeting the requirements of Section 4.10 hereof.

(4) An Officers' Certificate stating that (i) the Company is not, and upon the authentication by the Trustee of such Notes, will not be in default under any of the terms or covenants contained in this Indenture, (ii) all conditions that must be met by the Company to issue Notes under this Indenture have been met, and (iii) if prior to the Release Date, the Related Series of Senior Note First Mortgage Bonds being delivered to the Trustee meets the requirements of Section 4.10 hereof.

(d) No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication substantially in the form provided for herein executed by the Trustee by the manual signature of an authorized officer, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture.

(e) If all Notes of a series are not to be authenticated and issued at one time in connection with a Periodic Offering, the Company shall not be required to deliver the Company Order, Board Resolution, certificate of an Expert, Senior Note First Mortgage Bonds, Officers' Certificate and Opinion of Counsel (including any of the foregoing that would be otherwise required pursuant to Section 15.05 hereof) described in Section 2.05(c) hereof at or prior to the authentication of each Note of such series, if such items are delivered at or prior to the time of authentication of the first Note of such series to be authenticated and issued.

Section 2.06 EXCHANGE AND REGISTRATION OF TRANSFER OF NOTES. (a) Subject to Section 2.13 hereof, Notes of any series may be exchanged for one or more new Notes of the same series of any authorized denominations and of a like aggregate principal amount, series and Stated Maturity and having the same terms and Original Issue Date. Notes to be exchanged shall be surrendered at any of the offices or agencies to be maintained pursuant to Section 6.02 hereof, and the Trustee shall authenticate and deliver in exchange therefor the Note or Notes of such series which the Noteholder making the exchange shall be entitled to receive.

(b) The Trustee shall keep, at one of said offices or agencies, a register or registers in which, subject to such reasonable regulations as it may prescribe, the Trustee shall register or cause to be registered Notes and shall register or cause to be registered the transfer of Notes as in this Article II provided. Such register shall be in written form or in any other form capable of being converted into written form within a reasonable time. At all reasonable times, such register shall be open for inspection by the Company. Upon due presentment for registration of transfer of any Note at any such office or agency, the Company shall execute and the Trustee shall register, authenticate and deliver in the name of the transferee or transferees one or more new Notes of any authorized denominations and of a like aggregate principal amount, series and Stated Maturity and having the same terms and Original Issue Date.

(c) All Notes presented for registration of transfer or for exchange, redemption or payment shall be duly endorsed by, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and the Trustee and duly executed by the Holder or the attorney in fact of such Holder duly authorized in writing.

(d) No service charge shall be made for any exchange or registration of transfer of Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

(e) The Trustee shall not be required to exchange or register the transfer of any Notes selected, called or being called for redemption (including Notes, if any, redeemable at the option of the Holder provided such Notes are then redeemable at such Holder's option) except, in the case of any Note to be redeemed in part, the portion thereof not to be so redeemed.

(f) If the principal amount, and applicable premium, of part, but not all of a Global Note is paid, then upon surrender to the Trustee of such Global Note, the Company shall execute, and the Trustee shall authenticate, deliver and register, a Global Note in an authorized denomination in aggregate principal amount equal to, and having the same terms, Original Issue Date and series as, the unpaid portion of such Global Note.

Section 2.07 MUTILATED, DESTROYED, LOST OR STOLEN NOTES. (a) If any temporary or definitive Note shall become mutilated or be destroyed, lost or stolen, the Company shall execute, and upon its written request the Trustee shall authenticate and deliver, a new Note of like form and principal amount and having the same terms and Original Issue Date and bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. In every case the applicant for a substituted Note shall furnish to the Company, the Trustee and any paying agent or Authenticating Agent such security or indemnity as may be required by them to save each of them harmless, and, in every case of destruction, loss or theft of a Note, the applicant shall also furnish to the Company and to the Trustee evidence to their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

(b) The Trustee shall authenticate any such substituted Note and deliver the same upon the written request or authorization of any officer of the Company. Upon the issuance of any substituted Note, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith. If any Note which has matured, is about to mature or has been called for redemption shall become mutilated or be destroyed, lost or stolen, the Company may, instead of issuing a substituted Note, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Note) if the applicant for such payment shall furnish to the Company, the Trustee and any paying agent or Authenticating Agent such security or indemnity as may be required by them to save each of them harmless and, in case of destruction, loss or theft, evidence satisfactory to the Company and the Trustee of the destruction, loss or theft of such Note and of the ownership thereof.

(c) Every substituted Note issued pursuant to this Section 2.07 by virtue of the fact that any Note is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not such destroyed, lost or stolen Note shall be found at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder. All Notes shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes and shall

preclude to the full extent permitted by applicable law any and all other rights or remedies with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.08 TEMPORARY NOTES. Pending the preparation of definitive Notes of any series, the Company may execute and the Trustee shall authenticate and deliver temporary Notes (printed, lithographed or otherwise reproduced). Temporary Notes shall be issuable in any authorized denomination and substantially in the form of the definitive Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Company. Every such temporary Note shall be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the definitive Notes. Without unreasonable delay the Company shall execute and shall deliver to the Trustee definitive Notes of such series and thereupon any or all temporary Notes of such series shall be surrendered in exchange therefor at the corporate trust office of the Trustee, and the Trustee shall authenticate, deliver and register in exchange for such temporary Notes an equal aggregate principal amount of definitive Notes of such series. Such exchange shall be made by the Company at its own expense and without any charge therefor to the Noteholders. Until so exchanged, the temporary Notes of such series shall in all respects be entitled to the same benefits under this Indenture as definitive Notes of such series authenticated and delivered hereunder.

Section 2.09 CANCELLATION OF NOTES PAID, ETC. All Notes surrendered for the purpose of payment, redemption, exchange or registration of transfer shall be surrendered to the Trustee for cancellation and promptly cancelled by it and no Notes shall be issued in lieu thereof except as expressly permitted by this Indenture. The Company shall surrender to the Trustee any Notes so acquired by it and such Notes shall be cancelled by the Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes so cancelled.

Section 2.10 INTEREST RIGHTS PRESERVED. Each Note delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Note shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note, and each such Note shall be so dated that neither gain nor loss of interest shall result from such transfer, exchange or substitution.

Section 2.11 SPECIAL RECORD DATE. If and to the extent that the Company fails to make timely payment or provision for timely payment of interest on any series of Notes (other than on an Interest Payment Date that is a Maturity date), that interest shall cease to be payable to the Persons who were the Noteholders of such series at the applicable Regular Record Date. In that event, when moneys become available for payment of the interest, the Trustee shall (a) establish a date of payment of such interest and a Special Record Date for the payment of that interest, which Special Record Date shall be not more than 15 or fewer than 10 days prior to the date of the proposed payment and (b) mail notice of the date of payment and of the Special Record Date not fewer than 10 days preceding the Special Record Date to each Noteholder of such series at the close of business on the 15th day preceding the mailing at the address of such Noteholder, as it appeared on the register for the Notes. On the day so established by the Trustee the interest shall be payable to the Holders of the applicable Notes at the close of business on the Special Record Date.

Section 2.12 PAYMENT OF NOTES. Payment of the principal of and interest and premium on all Notes shall be payable as follows:

(a) On or before 9:30 a.m., New York City time, or such other time as shall be agreed upon between the Trustee and the Company, of the day on which payment of principal, interest and premium is due on any Global Note pursuant to the terms thereof, the Company shall deliver to the Trustee funds available on such date sufficient to make such payment, by wire transfer of immediately available funds or by instructing the Trustee to withdraw sufficient funds from an account maintained by the Company with the Trustee or such other method as is acceptable to the Trustee. On or before 12:00 noon, New York City time, or such other time as shall be agreed upon between the Trustee and the Depository, of the day on which any payment of interest is due on any Global Note (other than at Maturity), the Trustee shall pay to the Depository such interest in same day funds. On or before 1:00 p.m., New York City time or such other time as shall be agreed upon between the Trustee and the Depository, of the day on which principal, interest payable at Maturity and premium, if any, is due on any Global Note, the Trustee shall deposit with the Depository the amount equal to the principal, interest payable at Maturity and premium, if any, by wire transfer into the account specified by the Depository. As a condition to the payment, at Maturity, of any part of the principal of, interest on and applicable premium of any Global Note, the Depository shall surrender, or cause to be surrendered, such Global Note to the Trustee, whereupon a new Global Note shall be issued to the Depository pursuant to Section 2.06(f) hereof.

(b) With respect to any Note that is not a Global Note, principal, applicable premium and interest due at the Maturity of the Note shall be payable in immediately available funds when due upon presentation and surrender of such Note at the corporate trust office of the Trustee or at the authorized office of any paying agent in the Borough of Manhattan, The City and State of New York. Interest on any Note that is not a Global Note (other than interest payable at Maturity) shall be paid by check payable in clearinghouse funds mailed to the Holder thereof at such Holder's address as it appears on the register; PROVIDED that if the Trustee receives a written request from any Holder of Notes, the aggregate principal amount of which having the same Interest Payment Date equals or exceeds \$10,000,000, on or before the applicable Regular Record Date for such Interest Payment Date, interest on such Note shall be paid by wire transfer of immediately available funds to a bank within the continental United States designated by such Holder in its request or by direct deposit into the account of such Holder designated by such Holder in its request if such account is maintained with the Trustee or any paying agent.

(c) The Trustee shall receive the Senior Note First Mortgage Bonds from the Company as provided in this Indenture and shall hold the Senior Note First Mortgage Bonds, and any and all sums payable thereon or with respect thereto or realized therefrom, in trust for the benefit of the holders of the Notes, as herein provided. Subject to Article XIII hereof, all payments made by or on behalf of the Company to the Trustee on a series of Senior Note First Mortgage Bonds shall be deemed to be a payment by the Company pursuant to this Section 2.12 and shall be applied by the Trustee to pay, when due, principal of, premium, if any, and/or interest on the Related Series of Notes and, to the extent so applied, shall satisfy the Company's obligations on such Notes. The Company shall cause payment to be made to the Trustee of principal of, premium, if any, and (if applicable) interest on a series of Senior Note First

Mortgage Bonds in a manner and at a time that will enable the Trustee to make payments when due, of the principal of, premium, if any, and interest on the Related Series of Notes.

Section 2.13 NOTES ISSUABLE IN THE FORM OF A GLOBAL NOTE. (a) If the Company shall establish pursuant to Section 2.05 hereof that the Notes of a particular series are to be issued in the form of one or more Global Notes, then the Company shall execute and the Trustee shall, in accordance with Section 2.05 hereof and the Company Order delivered to the Trustee thereunder, authenticate and deliver such Global Note or Notes, which, unless otherwise specified in such Company Order, (i) shall represent, shall be denominated in an amount equal to the aggregate principal amount of, and shall have the same terms as, the outstanding Notes of such series to be represented by such Global Note or Notes,

(ii) shall be registered in the name of the Depository or its nominee, (iii) shall be delivered by the Trustee to the Depository or pursuant to the Depository's instruction and (iv) shall bear a legend substantially to the following effect: "This Note is a Global Note registered in the name of the Depository (referred to herein) or a nominee thereof and, unless and until it is exchanged in whole for the individual Notes represented hereby as provided in the Indenture referred to below, this Global Note may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository. Unless this Global Note is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful since the registered owner hereof, Cede & Co., has an interest herein" or such other legend as may be required by the rules and regulations of the Depository.

(b) (i) If at any time the Depository for a Global Note notifies the Company that it is unwilling or unable to continue as Depository for such Global Note or if at any time the Depository for the Global Note shall no longer be eligible or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation, the Company shall appoint a successor Depository with respect to such Global Note. If a successor Depository for such Global Note is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such ineligibility, the Company's election pursuant to Section 2.05(c)(vi) hereof shall no longer be effective with respect to the series of Notes evidenced by such Global Note and the Company shall execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Notes of such series in exchange for such Global Note, shall authenticate and deliver, individual Notes of such series of like tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of such Global Note in exchange for such Global Note. The Trustee shall not be charged with knowledge or notice of the ineligibility of a Depository unless a Responsible Officer shall have actual knowledge thereof.

(ii) (A) The Company may at any time and in its sole discretion determine that all (but not less than all) outstanding Notes of a series issued or issuable in the form of one or more Global Notes shall no longer be represented by such Global Note or Notes. In such event the Company shall execute, and the Trustee, upon receipt of a

Company Order for the authentication and delivery of individual Notes in exchange for such Global Note, shall authenticate and deliver individual Notes of like tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of such Global Note or Notes in exchange for such Global Note or Notes.

(B) Within seven days after the occurrence of an Event of Default with respect to any series of Global Notes, the Company shall execute, and the Trustee shall authenticate and deliver, Notes of such series in definitive registered form in any authorized denominations and in aggregate principal amount equal to the principal amount of such Global Notes in exchange for such Global Notes.

(iii) In any exchange provided for in any of the preceding two paragraphs, the Company will execute and the Trustee will authenticate and deliver individual Notes in definitive registered form in authorized denominations. Upon the exchange of a Global Note for individual Notes, such Global Note shall be cancelled by the Trustee. Notes issued in exchange for a Global Note pursuant to this Section shall be registered in such names and in such authorized denominations as the Depositary for such Global Note, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Notes to the Depositary for delivery to the persons in whose names such Notes are so registered, or if the Depositary shall refuse or be unable to deliver such Notes, the Trustee shall deliver such Notes to the persons in whose names such Notes are registered, unless otherwise agreed upon between the Trustee and the Company, in which event the Company shall cause the Notes to be delivered to the persons in whose names such Notes are registered.

(c) Neither the Company, the Trustee, any Authenticating Agent nor any paying agent shall have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests of a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

(d) Pursuant to the provisions of this subsection, at the option of the Trustee (subject to Section 2.04(a) hereof) and upon 30 days' written notice to the Depositary but not prior to the first Interest Payment Date of the respective Global Notes, the Depositary shall be required to surrender any two or more Global Notes which have identical terms, including, without limitation, identical maturities, interest rates and redemption provisions (but which may have differing Original Issue Dates) to the Trustee, and the Company shall execute and the Trustee shall authenticate and deliver to, or at the direction of, the Depositary a Global Note in principal amount equal to the aggregate principal amount of, and with all terms identical to, the Global Notes surrendered thereto and that shall indicate each applicable Original Issue Date and the principal amount applicable to each such Original Issue Date. The exchange contemplated in this subsection shall be consummated at least 30 days prior to any Interest Payment Date applicable to any of the Global Notes surrendered to the Trustee. Upon any exchange of any Global Note with two or more Original Issue Dates, whether pursuant to this Section or pursuant to Section 2.06 or Section 3.03 hereof, the aggregate principal amount of the Notes with a particular Original Issue Date shall be the same before and after such exchange, after giving

effect to any retirement of Notes and the Original Issue Dates applicable to such Notes occurring in connection with such exchange.

Section 2.14 CUSIP AND ISIN NUMBERS. The Company in issuing Notes may use "CUSIP" or "ISIN" numbers (if then generally in use) and, if so used, the Trustee shall use "CUSIP" or "ISIN" numbers in notices of redemption as a convenience to holders of Notes; PROVIDED, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or contained in any notice of redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the "CUSIP" or "ISIN" numbers.

ARTICLE III

REDEMPTION OF NOTES

Section 3.01 APPLICABILITY OF ARTICLE. Such of the Notes of any series as are, by their terms, redeemable prior to their Stated Maturity at the option of the Company, may be redeemed by the Company at such times, in such amounts and at such prices as may be specified therein and in accordance with the provisions of this Article III.

Section 3.02 NOTICE OF REDEMPTION; SELECTION OF NOTES. (a) The election of the Company to redeem any Notes shall be evidenced by a Board Resolution which shall be given with notice of redemption to the Trustee at least 45 days (or such shorter period acceptable to the Trustee in its sole discretion) prior to the redemption date specified in such notice.

(b) Notice of redemption to each Holder of Notes to be redeemed as a whole or in part shall be given by the Trustee, in the manner provided in Section 15.10 hereof, no less than 30 or more than 60 days prior to the date fixed for redemption. Any notice which is given in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Noteholder receives the notice. In any case, failure duly to give such notice, or any defect in such notice, to the Holder of any Note designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Note.

(c) Each such notice shall identify the Notes to be redeemed (including "CUSIP" or "ISIN" numbers) and shall specify the date fixed for redemption, the places of redemption and the redemption price (or the method for calculation thereof) at which such Notes are to be redeemed, and shall state that (subject to subsection (e) of this section) payment of the redemption price of such Notes or portion thereof to be redeemed will be made upon surrender of such Notes at such places of redemption, that interest accrued to the date fixed for redemption will be paid as specified in such notice, and that from and after such date interest thereon shall cease to accrue. If less than all of a series of Notes having the same terms are to be redeemed, the notice shall specify the Notes or portions thereof to be redeemed. If any Note is to be redeemed in part only, the notice which relates to such Note shall state the portion of the principal amount thereof to be redeemed, and shall state that, upon surrender of such Note, a new Note or Notes having the same terms in aggregate principal amount equal to the unredeemed portion thereof will be issued.

(d) Unless otherwise provided by a Company Order under

Section 2.05 hereof, if less than all of a series of Notes is to be redeemed, the Trustee shall select in such manner as it shall deem appropriate and fair in its discretion the particular Notes to be redeemed in whole or in part and shall thereafter promptly notify the Company and the Depository in writing of the Notes so to be redeemed. If less than all of a series of Notes represented by a Global Note is to be redeemed, the particular Notes or portions thereof of such series to be redeemed shall be selected by the Trustee for such series of Notes in such manner as the Trustee shall determine. Notes shall be redeemed only in denominations of \$1,000, PROVIDED that any remaining principal amount of a Note redeemed in part shall be a denomination authorized under this Indenture.

(e) If at the time of the mailing of any notice of redemption at the option of the Company, the Company shall not have irrevocably directed the Trustee to apply funds then on deposit with the Trustee or held by it and available to be used for the redemption of Notes to redeem all the Notes called for redemption, such notice, at the election of the Company, may state that it is conditional and subject to the receipt of the redemption moneys by the Trustee on or before the date fixed for redemption and that such notice shall be of no force and effect unless such moneys are so received on or before such date.

Section 3.03 PAYMENT OF NOTES ON REDEMPTION; DEPOSIT OF REDEMPTION PRICE.

(a) If notice of redemption for any Notes shall have been given as provided in

Section 3.02 hereof and such notice shall not contain the language permitted at the Company's option under Section 3.02(e) hereof, such Notes or portions of Notes called for redemption shall become due and payable on the date and at the places stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption of such Notes. Interest on the Notes or portions thereof so called for redemption shall cease to accrue and such Notes or portions thereof shall be deemed not to be entitled to any benefit under this Indenture except to receive payment of the redemption price together with interest accrued thereon to the date fixed for redemption. Upon presentation and surrender of such Notes at the place of payment specified in such notice, such Notes or the specified portions thereof shall be paid and redeemed at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption.

(b) If notice of redemption shall have been given as provided in

Section 3.02 hereof and such notice shall contain the language permitted at the Company's option under Section 3.02(e) hereof, such Notes or portions of Notes called for redemption shall become due and payable on the date and at the places stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption of such Notes, and interest on the Notes or portions thereof so called for redemption shall cease to accrue and such Notes or portions thereof shall be deemed not to be entitled to any benefit under this Indenture except to receive payment of the redemption price together with interest accrued thereon to the date fixed for redemption; PROVIDED that, in each case, the Company shall have deposited with the Trustee or a paying agent on or prior to 11:00 a.m. New York City time on such redemption date an amount sufficient to pay the redemption price together with interest accrued to the date fixed for redemption. Upon the Company making such deposit and, upon presentation and surrender of such Notes at such a place of payment in such notice specified, such Notes or the specified portions thereof shall be paid and redeemed at the applicable redemption price, together with

interest accrued thereon to the date fixed for redemption. If the Company shall not make such deposit on or prior to the redemption date, the notice of redemption shall be of no force and effect and the principal on such Notes or specified portions thereof shall continue to bear interest as if the notice of redemption had not been given.

(c) No notice of redemption of Notes shall be mailed during the continuance of any Event of Default, except (1) that, when notice of redemption of any Notes has been mailed, the Company shall redeem such Notes but only if funds sufficient for that purpose have prior to the occurrence of such Event of Default been deposited with the Trustee or a paying agent for such purpose, and (2) that notices of redemption of all outstanding Notes may be given during the continuance of an Event of Default.

(d) Upon surrender of any Note redeemed in part only, the Company shall execute, and the Trustee shall authenticate, deliver and register, a new Note or Notes of authorized denominations in aggregate principal amount equal to, and having the same terms, Original Issue Date or Dates and series as, the unredeemed portion of the Note so surrendered.

ARTICLE IV

SENIOR NOTE FIRST MORTGAGE BONDS

Section 4.01 DELIVERY OF INITIAL SERIES OF SENIOR NOTE FIRST MORTGAGE BONDS. Subject to the provisions of Section 4.11 and Article V hereof, the Company hereby (a) delivers to the Trustee, in connection with the issuance of a series of Notes hereunder in an aggregate principal amount of \$173,000,000, Senior Note First Mortgage Bonds bearing the designation "First Mortgage Bonds, Senior Notes Series AA" in the aggregate principal amount of \$173,000,000, fully registered in the name of the Trustee, in trust for the benefit of the Holders from time to time of the Notes of such series issued under this Indenture as security for any and all obligations of the Company under the Notes of such series, including, but not limited to, (1) the full and prompt payment of the principal of and premium, if any, on the Notes of such series when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes of such series, at the Maturity thereof, and (2) the full and prompt payment of any interest on the Notes of such series when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes of such series and (b) delivers to the Trustee the certificate of the Expert required by Section 4.06 hereof (if required).

Section 4.02 RECEIPT. The Trustee acknowledges receipt of the Senior Note First Mortgage Bonds described in Section 4.01 hereof.

Section 4.03 SENIOR NOTE FIRST MORTGAGE BONDS HELD BY THE TRUSTEE. The Trustee shall, as the holder of Senior Note First Mortgage Bonds, attend such meeting or meetings of bondholders under the First Mortgage or, at its option, deliver its proxy in connection therewith, as relate to matters with respect to which it is entitled to vote or consent. So long as no Event of Default hereunder shall have occurred and be continuing, either at any such meeting or meetings, or otherwise when the consent of the holders of the first mortgage bonds outstanding under the First Mortgage is sought without a meeting, the Trustee shall vote all Senior Note First Mortgage

Bonds then held by it, or consent with respect thereto, in accordance with instructions provided in a certificate of the Company or the Mortgage Trustee, which instructions (a) shall direct the Trustee to so vote or consent in proportion with the vote or consent (as of 9:00 a.m. New York City time on the day of such vote or consent) of the holders of all other first mortgage bonds outstanding under the First Mortgage, the holders of which are eligible to vote or consent and (b) shall set forth said proportions; PROVIDED, HOWEVER, that the Trustee shall not so vote in favor of, or so consent to, any amendment or modification of the First Mortgage which, if it were an amendment or modification of this Indenture, would require the consent of Holders, without the prior consent, obtained in the manner prescribed in Section 13.02, of Holders of Notes which would be required under said Section 13.02 for such an amendment or modification of this Indenture.

Section 4.04 NO TRANSFER OF SENIOR NOTE FIRST MORTGAGE BONDS; EXCEPTIONS. Except (i) as required to effect an assignment to a successor trustee under this Indenture, (ii) pursuant to Section 4.05 or Section 4.08 hereof, or (iii) in compliance with a final order of a court of competent jurisdiction in connection with any bankruptcy or reorganization proceeding of the Company, the Trustee shall not sell, assign or transfer the Senior Note First Mortgage Bonds and the Company shall issue stop transfer instructions to the Mortgage Trustee and any transfer agent under the First Mortgage to effect compliance with this Section 4.04.

Section 4.05 DELIVERY TO THE COMPANY OF ALL SENIOR NOTE FIRST MORTGAGE BONDS. When the obligation of the Company to make payment with respect to the principal of and premium, if any, and interest on all Senior Note First Mortgage Bonds shall be satisfied or deemed satisfied pursuant to Section 4.11 or Section 5.01(b) hereof, the Trustee shall, upon written request of the Company and receipt of the certificate of the Expert described in Section 4.06(b) hereof (if such certificate is then required by Section 4.06(b) hereof), deliver to the Company without charge therefor all of the Senior Note First Mortgage Bonds, together with such appropriate instruments of transfer or release as may be reasonably requested by the Company. All Senior Note First Mortgage Bonds delivered to the Company in accordance with this Section 4.05 shall be delivered by the Company to the Mortgage Trustee for cancellation.

Section 4.06 FAIR VALUE CERTIFICATE. (a) If required by applicable law, upon the delivery by the Company to the Trustee of Senior Note First Mortgage Bonds pursuant to Section 4.01 or Section 4.09 hereof, the Company shall simultaneously therewith deliver to the Trustee a certificate of an Expert (1) stating that he or she is familiar with the provisions of such Senior Note First Mortgage Bonds and of this Indenture; (2) stating the principal amount of such Senior Note First Mortgage Bonds so delivered, the stated interest rate (or method of calculation of interest) of such Senior Note First Mortgage Bonds (if any) and the stated maturity date of such Senior Note First Mortgage Bonds; (3) identifying the Notes being issued contemporaneously therewith, and (4) stating the fair value to the Company of such Senior Note First Mortgage Bonds.

If the fair value to the Company of the Senior Note First Mortgage Bonds so delivered, as described in the certificate to be delivered pursuant to this Section 4.06(a), both (1) is equal to or exceeds (A) \$25,000 and (B) 1% of the principal amount of the Notes outstanding at the date of delivery of such Senior Note First Mortgage Bonds and (2) together with the fair value to the Company, as described in the certificates to be delivered pursuant to this Section

4.06(a), of all other Senior Note First Mortgage Bonds delivered to the Trustee since the commencement of the then current calendar year, is equal to or exceeds 10% of the principal amount of the Notes outstanding at the date of delivery of such Senior Note First Mortgage Bonds, then the certificate required by this

Section 4.06(a) shall (1) be delivered by an Expert who shall be independent of the Company and (2), in addition to the certifications described above, state the fair value to the Company of all Senior Note First Mortgage Bonds delivered to the Trustee pursuant to Section 4.09 hereof since the commencement of the then current year as to which a certificate was not delivered by an Expert independent of the Company.

(b) If Senior Note First Mortgage Bonds are delivered or surrendered to the Company pursuant to Section 4.05 or 4.08 hereof, the Company shall simultaneously therewith deliver to the Trustee a certificate of an Expert

(1) stating that it is familiar with the provisions of such Senior Note First Mortgage Bonds and of this Indenture, (2) stating the principal amount of such Senior Note First Mortgage Bonds so delivered, the stated interest rate (or method of calculation of interest) of such Senior Note First Mortgage Bonds (if any) and the stated maturity date of such Senior Note First Mortgage Bonds, (3) if applicable, identifying the Notes, the payment of the interest on and principal of which has been discharged hereunder, and (4) stating that such delivery and release will not impair the Lien of this Indenture in contravention of the provisions of this Indenture. If, prior to the Release Date, the fair value of the Senior Note First Mortgage Bonds so delivered and released, as described in the certificate to be delivered pursuant to this Section 4.06(b), both (1) is equal to or exceeds (A) \$25,000 and (B) 1% of the principal amount of the outstanding Notes at the date of release of such Senior Note First Mortgage Bonds and (2) together with the fair value, as described in the certificates to be delivered pursuant to this Section 4.06(b), of all other Senior Note First Mortgage Bonds released from the lien of this Indenture since the commencement of the then current calendar year, is equal to or exceeds 10% of the principal amount of the Notes outstanding at the date of release of such Senior Note First Mortgage Bonds, then the certificate required by this Section 4.06(b) shall be delivered by an Expert who shall be independent of the Company.

If, in connection with a delivery or release of outstanding Senior Note First Mortgage Bonds, the Company provides to the Trustee an Opinion of Counsel stating that the certificate described by this Section 4.06 is not required by law, such certificate shall not be required to be delivered hereunder in connection with such delivery or release.

Section 4.07 FURTHER ASSURANCES. The Company, at its own expense, shall do such further lawful acts and things, and execute and deliver such additional conveyances, assignments, assurances, agreements, financing statements and instruments, as may be necessary in order to better assign, assure and confirm to the Trustee its interest in the Senior Note First Mortgage Bonds and for maintaining, protecting and preserving such interest.

Section 4.08 EXCHANGE AND SURRENDER OF SENIOR NOTE FIRST MORTGAGE BONDS. At any time a Note shall cease to be entitled to any lien, benefit or security under this Indenture pursuant to Section 5.01(b) hereof and the Company shall have provided the Trustee with notice thereof, the Trustee shall surrender an equal principal amount of the Related Series of Senior Note First Mortgage Bonds, subject to the limitations of this Section 4.08, to the Company for cancellation. The Trustee shall, together with such Senior Note First Mortgage Bonds, deliver to the Company such appropriate instruments of transfer or release as the Company may reasonably request. Prior

to the surrender required by this paragraph, the Trustee shall receive from the Company the following, and (subject to Section 9.01 hereof) shall be fully protected in relying upon, an Officers' Certificate stating (i) the aggregate outstanding principal amount of the Senior Note First Mortgage Bonds of the series surrendered by the Trustee, after giving effect to such surrender, (ii) the aggregate outstanding principal amount of the Related Series of Notes and (iii) that the surrender of the Senior Note First Mortgage Bonds will not result in any default under this Indenture.

The Company shall not be permitted to cause the surrender or exchange of all or any part of a series of Senior Note First Mortgage Bonds contemplated in this Section, if, after such surrender or exchange, the aggregate outstanding principal amount of the Related Series of Notes would exceed the aggregate outstanding principal amount of such series of Senior Note First Mortgage Bonds held by the Trustee. Any Senior Note First Mortgage Bonds received by the Company pursuant to this Section 4.08 shall be delivered to the Mortgage Trustee for cancellation. Notwithstanding anything herein to the contrary, until the Release Date, the Company shall preserve and maintain the Lien of this Indenture, and shall not permit, at any time prior to the Release Date, the aggregate principal amount of Senior Note First Mortgage Bonds held by the Trustee to be less than the aggregate amount of Notes Outstanding.

Section 4.09 ACCEPTANCE OF ADDITIONAL SENIOR NOTE FIRST MORTGAGE BONDS. Upon the issuance of a series of Notes hereunder (other than the initial series of Notes referred to in Section 4.01 hereof) at any time prior to the Release Date, the Company shall deliver to the Trustee in trust for the benefit of the Holders of the Notes as described in Section 4.11 hereof, and the Trustee shall accept therefor, a Related Series of Senior Note First Mortgage Bonds registered in the name of the Trustee conforming to the requirements of Section 4.10 hereof.

Section 4.10 TERMS OF SENIOR NOTE FIRST MORTGAGE BONDS. Each series of Senior Note First Mortgage Bonds delivered to the Trustee pursuant to Section 4.01 or Section 4.09 hereof shall have the same stated maturity date and shall be in the same aggregate principal amount as, and have redemption provisions corresponding to, the Related Series of Notes being issued; it being expressly understood that such Senior Note First Mortgage Bonds may, but need not, bear interest, any such interest to be payable on the same Interest Payment Dates as the Related Series of Notes being issued.

Section 4.11 SENIOR NOTE FIRST MORTGAGE BONDS AS SECURITY FOR NOTES. Until the Release Date and subject to Article V hereof, Senior Note First Mortgage Bonds delivered to the Trustee, for the benefit of the Holders of the Notes, shall constitute part of the trust estate and security for any and all obligations of the Company under the Notes, including, but not limited to (1) the full and prompt payment of the principal of and premium, if any, on such Notes when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes, either at the stated maturity thereof, upon acceleration of the maturity thereof or upon redemption, and (2) the full and prompt payment of any interest on such Notes when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes.

Notwithstanding anything in this Indenture to the contrary, from and after the Release Date, the obligation of the Company to make payment with respect to the principal of and

premium, if any, and interest on the Senior Note First Mortgage Bonds shall be deemed satisfied and discharged as provided in the supplemental indenture or indentures to the First Mortgage creating such Senior Note First Mortgage Bonds and the Senior Note First Mortgage Bonds shall cease to secure in any manner Notes theretofore or subsequently issued. From and after the Release Date, any conditions to the issuance of Notes that refer or relate to Senior Note First Mortgage Bonds or the First Mortgage shall be inapplicable. Following the Release Date, the Company shall cause the First Mortgage to be discharged and the Company shall not issue any additional First Mortgage Bonds or Senior Note First Mortgage Bonds under the First Mortgage. The Company shall notify the Trustee promptly of the occurrence of the Release Date. Notice of the occurrence of the Release Date shall be given by the Trustee to the Holders of the Notes in the manner provided in Section 15.10 hereof not later than 30 days after the Release Date.

ARTICLE V

SATISFACTION AND DISCHARGE; UNCLAIMED MONEYS

Section 5.01 SATISFACTION AND DISCHARGE. (a) If at any time:

- (1) the Company shall have paid or caused to be paid the principal of and premium, if any, and interest on all the outstanding Notes, as and when the same shall have become due and payable,
- (2) the Company shall have delivered to the Trustee for cancellation all outstanding Notes, or
- (3) the Company shall have irrevocably deposited or caused to be irrevocably deposited with the Trustee as trust funds the entire amount in (A) cash, (B) U.S. Government Obligations maturing as to principal and interest in such amounts and at such times as will insure the availability of cash, or (C) a combination of cash and U.S. Government Obligations, in any case sufficient, without reinvestment, as certified by an independent public accounting firm of national reputation in a written certification delivered to the Trustee, to pay at maturity or the applicable redemption date (provided that notice of redemption shall have been duly given or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of any notice of redemption) all outstanding Notes, including principal and any premium and interest due or to become due to such date of maturity, as the case may be and, unless all outstanding Notes are to be due within 90 days of such deposit by redemption or otherwise, shall also deliver to the Trustee an opinion of counsel expert in federal income tax matters to the effect that the Company has received from, or there has been published by, the Internal Revenue Service a ruling or similar pronouncement by the Internal Revenue Service or that there has been a change of law (collectively, an "External Tax Pronouncement"), in either case to the effect that the Holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such defeasance or discharge of the Indenture and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case absent such defeasance or discharge of this Indenture,

and if, in any such case, (x) the Company shall also pay or cause to be paid all other sums payable hereunder by the Company and (y) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with, then this Indenture shall cease to be of further effect (except as to (i) rights of registration of transfer and exchange of Notes, (ii) substitution of mutilated, defaced, destroyed, lost or stolen Notes, (iii) rights of Noteholders to receive payments of principal thereof, and any premium and interest thereon, upon the original stated due dates therefor or upon the applicable redemption date (but not upon acceleration of maturity) from the moneys and U.S. Government Obligations held by the Trustee pursuant to Section 5.02 hereof, (iv) the rights and immunities of the Trustee hereunder, (v) the rights of the Holders of Notes as beneficiaries hereof with respect to the property so deposited with the Trustee payable to all or any of them, (vi) the obligations of the Company under Sections 6.02 and 6.03 hereof, (vii) the obligations and rights of the Trustee and the Company under Section 5.04 hereof, and (viii) the duties of the Trustee with respect to any of the foregoing), and the Company shall be deemed to have paid and discharged the entire indebtedness represented by, and its obligations under, the Notes, and the Trustee, on demand of the Company and at the cost and expense of the Company, shall execute proper instruments acknowledging such satisfaction of and discharging this Indenture and the Trustee shall at the request of the Company return to the Company all Senior Note First Mortgage Bonds and all other property and money held by it under this Indenture and determined by it from time to time in accordance with the certification pursuant to this Section 5.01(a)(3) to be in excess of the amount required to be held under this Section.

If the Notes are deemed to be paid and discharged pursuant to Section 5.01(a)(3) hereof, within 15 days after those Notes are so deemed to be paid and discharged, the Trustee shall cause a written notice to be given to each Holder in the manner provided by Section 15.10 hereof. The notice shall:

- (i) state that the Notes are deemed to be paid and discharged;
- (ii) set forth a description of any U.S. Government Obligations and cash held by the Trustee as described above;
- (iii) if any Notes will be called for redemption, specify the date or dates on which those Notes are to be called for redemption.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 9.06 hereof shall survive.

If the Notes are deemed paid and discharged pursuant to this Section 5.01, the obligation of the Company to make payment with respect to the principal of and premium, if any, and interest on the Senior Note First Mortgage Bonds shall be satisfied and discharged and the Senior Note First Mortgage Bonds shall cease to secure the Notes in any manner.

(b) If the Company shall have paid or caused to be paid the principal of and premium, if any, and interest on any Note, as and when the same shall have become due and payable or the Company shall have delivered to the Trustee for cancellation any outstanding

Note, such Note shall cease to be entitled to any Lien, benefit or security under this Indenture. Upon a Note of any series ceasing to be entitled to any Lien, benefit or security under this Indenture, the obligation of the Company to make payment with respect to principal of and premium, if any, and interest on a principal amount of the Related Series of Senior Note First Mortgage Bonds equal to the principal amount of such Note shall be satisfied and discharged and such portion of the principal amount of such Senior Note First Mortgage Bonds shall cease to secure the Notes in any manner.

Section 5.02 DEPOSITED MONEYS TO BE HELD IN TRUST BY TRUSTEE. Subject to Section 5.04, all moneys and U.S. Government Obligations deposited with the Trustee pursuant to Section 5.01 hereof, shall be held in trust and applied by it to the payment, either directly or through any paying agent (including the Company if acting as its own paying agent), to the Holders of the particular Notes for the payment or redemption of which such moneys and U.S. Government Obligations have been deposited with the Trustee of all sums due and to become due thereon for principal and premium, if any, and interest.

Section 5.03 PAYING AGENT TO REPAY MONEYS HELD. Upon the satisfaction and discharge of this Indenture all moneys then held by any paying agent for the Notes (other than the Trustee) shall, upon written demand by the Company, be repaid to the Company or paid to the Trustee, and thereupon such paying agent shall be released from all further obligations with respect to such moneys.

Section 5.04 RETURN OF UNCLAIMED MONEYS. Any moneys deposited with or paid to the Trustee for payment of the principal of or any premium or interest on any Notes and not applied but remaining unclaimed by the Holders of such Notes for two years after the date upon which the principal of or any premium or interest on such Notes, as the case may be, shall have become due and payable, shall be repaid to the Company, subject to applicable abandoned property laws, by the Trustee on written demand by the Company; and any Holder of any of such Notes shall thereafter look only to the Company for any payment which such Holder may be entitled to collect.

ARTICLE VI

PARTICULAR COVENANTS OF THE COMPANY

Section 6.01 PAYMENT OF PRINCIPAL AND INTEREST. The Company covenants and agrees for the benefit of the Holders of the Notes of any series that it will duly and punctually pay or cause to be paid the principal of and any premium and interest, if any, on, such Notes at the places, at the respective times and in the manner provided in such Notes or in this Indenture.

Section 6.02 OFFICES FOR PAYMENTS, ETC. So long as the Notes of any series are outstanding hereunder, the Company will maintain in the Borough of Manhattan, The City of New York, State of New York or St. Louis, Missouri an office or agency where the Notes of such series may be presented for payment, for exchange as in this Indenture provided and for registration of transfer as in this Indenture provided.

The Company will maintain in the Borough of Manhattan, The City of New York, State of New York or St. Louis, Missouri an office or agency where notices and demands to or upon the Company in respect of the Notes of any series or this Indenture may be served.

The Company will give to the Trustee prompt written notice of the location of each such office or agency and of any change of location thereof. In case the Company shall fail to maintain any office or agency required by this Section to be located in the Borough of Manhattan, The City of New York, State of New York or St. Louis, Missouri or shall fail to give such notice of the location or of any change in the location of any of the above offices or agencies, presentations and demands may be made and notices may be served at the Corporate Trust Office of the Trustee, and, in such event, the Trustee shall act as the Company's agent to receive all such presentations, surrenders, notices and demands.

The Company may from time to time designate one or more additional offices or agencies where the Notes of any series may be presented for payment, for exchange as in this Indenture provided and for registration of transfer as in this Indenture provided, and the Company may from time to time rescind any such designation; PROVIDED, HOWEVER, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain any office or agency provided for in this Section. The Company will give to the Trustee prompt written notice of any such designation or rescission thereof and of any change in the location of any such other office or agency.

Section 6.03 APPOINTMENT TO FILL A VACANCY IN OFFICE OF TRUSTEE. The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 9.11, a Trustee, so that there shall at all times be a Trustee hereunder.

Section 6.04 PROVISION AS TO PAYING AGENT. The Trustee shall be the paying agent for the Notes and, at the option of the Company, the Company may appoint additional paying agents (including without limitation itself unless an event of default has occurred and is continuing). Whenever the Company shall appoint a paying agent other than the Trustee with respect to the Notes, it will cause such paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section:

- (1) that such paying agent will hold all sums received by it as such agent for the payment of the principal of or any premium or interest on the Notes (whether such sums have been paid to it by the Company or by any other obligor on the Notes) in trust for the benefit of the Holders of the Notes, or of the Trustee until such sums shall be paid to such Holders or otherwise disposed of as herein provided;
- (2) that such paying agent will give the Trustee notice of any failure by the Company (or by any other obligor on Notes) to make any payment of the principal of, premium, if any, or interest on the Notes when the same shall be due and payable; and
- (3) that such paying agent will at any time during the continuance of any such failure, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such paying agent.

The Company will, on or prior to each due date of the principal of and any premium or interest on the Notes, deposit with the paying agent a sum sufficient to pay such principal and any premium or interest so becoming due, such sum to be held in trust for the benefit of the Holders of the Notes entitled to such principal of and any premium or interest, and (unless such paying agent is the Trustee) the Company will promptly notify the Trustee of any failure to take such action.

If the Company shall act as its own paying agent with respect to the Notes, it will, on or before each due date of the principal of (and premium, if any) or interest, if any, on the Notes, set aside, segregate and hold in trust for the benefit of the Holders of the Notes, a sum sufficient to pay such principal (and premium, if any) or interest, if any, so becoming due until such sums shall be paid to such Holders or otherwise disposed of as herein provided. The Company will promptly notify the Trustee of any failure to take such action.

The Company may at any time pay or cause to be paid to the Trustee all sums held in trust by it or any paying agent hereunder, as required by this Section, such sums to be held by the Trustee upon the trusts herein contained, and, upon such payment by any paying agent to the Trustee, such paying agent shall be released from all further liability with respect to such money.

Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section is subject to the provisions of Sections 5.03 and 5.04.

Section 6.05 OPINIONS OF COUNSEL. The Company will cause this Indenture, any indentures supplemental to this Indenture, and any financing or continuation statements to be promptly recorded and filed and rerecorded and refiled in such a manner and in such places, as may be required by law in order fully to preserve, protect and perfect the security of the Noteholders and all rights of the Trustee, and shall deliver to the Trustee:

(a) promptly after the execution and delivery of this Indenture and of any indenture supplemental to this Indenture but prior to the Release Date, an Opinion of Counsel either stating that, in the opinion of such counsel, this Indenture or such supplemental indenture and any financing or continuation statements have been properly recorded and filed so as to make effective and to perfect the interest of the Trustee intended to be created by this Indenture for the benefit of the Holders from time to time of the Notes in the Senior Note First Mortgage Bonds, and reciting the details of such action, or stating that, in the opinion of such counsel, no such action is necessary to perfect or make such interest effective and stating what, if any, action of the foregoing character may reasonably be expected to become necessary prior to the next succeeding December 1 to maintain, perfect and make such interest effective; and

(b) on or before December 1 of each year, commencing December 1, 2002, and prior to the Release Date, an Opinion of Counsel either stating that in the opinion of such counsel such action has been taken, since the date of the most recent Opinion of Counsel furnished pursuant to this Section 6.05(b) or the first Opinion of Counsel furnished pursuant to Section 6.05(a) hereof, with respect to the recording, filing, rerecording, or refiled of this Indenture, each supplemental indenture and any financing or continuation statements, as is necessary to maintain and perfect the interest of the Trustee intended to be created by this Indenture for the benefit of the Holders from time to time of the Notes in the Senior Note First

Mortgage Bonds, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain and perfect such interest and stating what, if any, action of the foregoing character may reasonably be expected to become necessary prior to the next succeeding December 1 to maintain, perfect and make such security interest effective.

Section 6.06 CERTIFICATES AND NOTICE TO TRUSTEE. The Company shall, on or before December 1 of each year, commencing December 1, 2002, deliver to the Trustee a certificate from its principal executive officer, principal financial officer or principal accounting officer covering the preceding calendar year and stating whether or not, to the knowledge of such Person, the Company has complied with all conditions and covenants under this Indenture, and, if not, describing in reasonable detail any failure by the Company to comply with any such conditions or covenants. For purposes of this Section, compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture. Upon the occurrence of a default (as defined in the First Mortgage) prior to the Release Date, the Company shall promptly notify the Trustee of such event.

Section 6.07 RESTRICTIONS ON LIENS. (a) So long as any Notes of any series are outstanding, the Company will not issue, assume, guarantee or permit to exist after the Release Date any Debt secured by any Lien on any Operating Property of the Company, whether owned at the date of this Indenture or thereafter acquired, without in any such case effectively securing the outstanding Notes (together with, if the Company shall so determine, any other Debt of or guaranteed by the Company ranking equally with the Notes) equally and ratably with such Debt (but only so long as such Debt is so secured); PROVIDED, HOWEVER, that the foregoing restriction shall not apply to Debt secured by any of the following:

- (i) Liens on any Operating Property existing at the time of acquisition thereof by the Company (which Liens may also extend to subsequent repairs, alterations and improvements to such Operating Property);
- (ii) Liens on operating property of a corporation existing at the time such corporation is merged into or consolidated with the Company, or at the time of a sale, lease, or other disposition of the properties of such corporation or a division thereof as an entirety or substantially as an entirety to the Company;
- (iii) Liens on Operating Property to secure all or part of the cost of acquiring, constructing, developing, or substantially repairing, altering, or improving such property, or to secure any Debt incurred to provide funds for any such purpose or for reimbursement of funds previously expended for any such purpose, provided such Liens are created or assumed contemporaneously with, or within eighteen (18) months after, such acquisition or the completion of construction, development, or substantial repair, alteration or improvement;
- (iv) Liens in favor of any State, or any department, agency, or instrumentality or political subdivision of any State, or for the benefit of holders of securities issued by any such entity (or providers of credit enhancement with respect to such securities), to secure any Debt (including, without limitation, obligations of the Company with respect to industrial development, pollution control or similar revenue

bonds) incurred for the purpose of financing all or any part of the purchase price of, or the cost of constructing, developing, or substantially repairing, altering, or improving Operating Property of the Company;

(v) any extension, renewal or replacement (or successive extensions, renewals, or replacements), in whole or in part, of any Lien referred to in the foregoing clauses (i) to (iv), inclusive; PROVIDED, HOWEVER, that the principal amount of Debt secured thereby and not otherwise authorized by said clauses (i) to (iv), inclusive, shall not exceed the principal amount of Debt, plus any premium or fee payable in connection with any such extension, renewal, or replacement, so secured at the time of such extension, renewal, or replacement.

(b) Notwithstanding the provisions of Section 6.07(a), the Company may issue, assume, or guarantee Debt, or permit to exist after the Release Date any Debt, in each case, secured by Liens that would otherwise be subject to the restrictions of Section 6.07(a) up to an aggregate principal amount that, together with the principal amount of all other Debt of the Company secured by Liens (other than Liens permitted by Section 6.07(a) that would otherwise be subject to any of the foregoing restrictions) and the Value of all Sale and Lease-Back Transactions in existence at such time (other than any Sale and Lease-Back Transaction that, if such Sale and Lease-Back Transaction had been a Lien, would have been permitted by Section 6.07(a), other than Sale and Lease-Back Transactions permitted by Section 6.08 hereof because the commitment by or on behalf of the purchaser was obtained no later than eighteen (18) months after the later of events described in clause (i) or (ii) of Section 6.08 hereof, and other than Sale and Lease-Back Transactions as to which application of amounts have been made in accordance with clause (z) of Section 6.08 hereof), does not at the time exceed fifteen percent (15%) of Capitalization.

(c) If the Company shall issue, assume, or guarantee any Debt secured by any Lien and if Section 6.07(a) requires that the outstanding Notes be secured equally and ratably with such Debt, the Company will promptly execute, at its expense, any instruments necessary to secure the outstanding Notes equally and ratably with such Debt and deliver the same to the Trustee along with:

(i) An Officers' Certificate stating that the covenant of the Company contained in Section 6.07(a) has been complied with; and

(ii) An Opinion of Counsel to the effect that the Company has complied with the covenant contained in Section 6.07(a), and that any instruments executed by the Company in the performance of such covenant comply with the requirements of such covenant.

In the event that the Company shall hereafter secure outstanding Notes equally and ratably with any other obligation or indebtedness pursuant to the provisions of this Section 6.07, the Company will enter into an indenture or agreement supplemental hereto and take such other action to enable the Trustee to enforce effectively the rights of the Holders of outstanding Notes so secured, equally and ratably with such other obligation or indebtedness.

Section 6.08 RESTRICTIONS ON SALE AND LEASE-BACK TRANSACTIONS. So long as any Notes of any series are outstanding, the Company will not enter into or permit to exist after the Release Date any Sale and Lease-Back Transaction with respect to any Operating Property (except for transactions involving leases for a term, including renewals, of not more than 48 months) if the commitment by or on behalf of the purchaser is obtained more than eighteen (18) months after the later of (i) the completion of the acquisition, construction, or development of such Operating Property and (ii) the placing in operation of such Operating Property or of such Operating Property as constructed, developed, or substantially repaired, altered, or improved, unless (x) the Company would be entitled pursuant to Section 6.07(a) to issue, assume, guarantee or permit to exist Debt secured by a Lien on such Operating Property without equally and ratably securing the Notes, (y) the Company would be entitled pursuant to

Section 6.07(b), after giving effect to such Sale and Lease-Back Transaction, to incur \$1.00 of additional Debt secured by Liens (other than Liens permitted by

Section 6.07(a) or (z) the Company shall apply or cause to be applied, in the case of a sale or transfer for cash, an amount equal to the net proceeds thereof (but not in excess of the net book value of such Operating Property at the date of such sale or transfer) and, in the case of a sale or transfer otherwise than for cash, an amount equal to the fair value (as determined by the Board of Directors) of the Operating Property so leased, to the retirement, within one hundred eighty (180) days after the effective date of such Sale and Lease-Back Transaction, of Notes (in accordance with their terms) or other Debt of the Company ranking senior to, or equally with, the Notes; PROVIDED, HOWEVER, that the amount to be applied to such retirement of Debt shall be reduced by an amount equal to the principal amount, plus any premium or fee paid in connection with any redemption in accordance with the terms of Debt voluntarily retired by the Company within such one hundred eighty (180) day period, excluding retirement pursuant to mandatory sinking fund or prepayment provisions and payments at stated maturity.

Section 6.09 CORPORATE EXISTENCE. Subject to the rights of the Company under Article XII, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and the rights (charter and statutory) and franchises of the Company; PROVIDED, HOWEVER, that the Company shall not be required to preserve any such right or franchise if, in the judgment of the Company, the preservation thereof is no longer desirable in the conduct of the business of the Company.

ARTICLE VII

NOTEHOLDER LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 7.01 COMPANY TO FURNISH NOTEHOLDER LISTS. The Company and any other obligor on the Notes shall furnish or cause to be furnished to the Trustee a list in such form as the Trustee may reasonably require of the names and addresses of the Holders of the Notes:

(a) semi-annually and not more than 15 days after each Regular Record Date for each Interest Payment Date that is not a Maturity date, as of such Regular Record Date, and such list need not include information received after such date; and

(b) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request, as of a date not more than 15 days prior to the time such information is furnished, and such list need not include information received after such date;

PROVIDED that if and so long as the Trustee shall be the registrar for the Notes, such list shall not be required to be furnished.

Section 7.02 PRESERVATION AND DISCLOSURE OF NOTEHOLDER LISTS. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of the Notes (i) contained in the most recent lists furnished to it as provided in Section 7.01,

(ii) received by it in the capacity of registrar for the Notes, if so acting, and (iii) filed with it within the two preceding years pursuant to Section 7.04(d)(2). The Trustee may destroy any list furnished to it as provided in Section 7.01 upon receipt of a new list so furnished.

(b) In case three or more Holders of Notes (hereinafter referred to as "applicants") apply in writing to the Trustee and furnish to the Trustee reasonable proof that each such applicant has owned a Note for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Notes with respect to their rights under this Indenture or under the Notes and such application is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five Business Days after the receipt of such application, at its election, either

(i) afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section; or

(ii) inform such applicants as to the approximate number of Holders whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of such subsection (a) and as to the approximate cost of mailing to such Holders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Holder of Notes, whose name and address appears in the information preserved at the time by the Trustee in accordance with the provisions of such subsection (a) a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender the Trustee shall mail to such applicants and file with the Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If the Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, the

Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met, and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Holders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Holder of a Note, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of the Company or the Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Notes in accordance with the provisions of subsection (b) of this Section, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such subsection (b).

Section 7.03 REPORTS BY THE COMPANY. The Company shall:

(a) file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it will file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(b) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations. Filing of such information, documents and reports with the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates); and

(c) transmit by mail to all Holders of Notes, within 30 days after the filing thereof with the Trustee in the manner and to the extent provided in Section 7.04(d), such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

Section 7.04 REPORTS BY THE TRUSTEE. (a) Annually, not later than August 15 of each year, the Trustee shall transmit by mail a brief report dated as of such date that complies with Section 313(a) of the TIA (to the extent required by such Section).

(b) The Trustee shall from time to time transmit by mail brief reports that comply, both in content and date of delivery, with Section 313(b) of the TIA (to the extent required by such Section).

(c) A copy of each such report filed pursuant to this section shall, at the time of such transmission to such Holders, be filed by the Trustee with each stock exchange upon which any Notes are listed and also with the Commission. The Company will notify the Trustee promptly in writing upon the listing of such Notes on any stock exchange or any delisting thereof.

(d) Reports pursuant to this Section shall be transmitted:

(1) by mail to all Holders of Notes, as their names and addresses appear in the register for the Notes;

(2) by mail to such Holders of Notes as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for such purpose;

(3) by mail, except in the case of reports pursuant to Section 7.04(b) and (c) hereof, to all Holders of Notes whose names and addresses have been furnished to or received by the Trustee pursuant to Section 7.01 and 7.02(a)(ii) hereof; and

(4) at the time such report is transmitted to the Holders of the Notes, to each exchange on which Notes are listed and also with the Commission.

ARTICLE VIII

REMEDIES OF THE TRUSTEE AND NOTEHOLDERS ON EVENTS OF DEFAULT

Section 8.01 EVENTS OF DEFAULT. (a) If one or more of the following Events of Default shall have occurred and be continuing:

(1) default in the payment of any installment of interest upon any of the Notes as and when the same shall become due and payable, and continuance of such default for a period of sixty (60) days;

(2) default in the payment of the principal of or any premium on any of the Notes as and when the same shall become due and payable;

(3) failure on the part of the Company duly to observe or perform any other of the covenants or agreements on the part of the Company contained in this Indenture for a period of sixty (60) days after the date on which written notice specifying

such failure, stating that such notice is a "Notice of Default" hereunder and demanding that the Company remedy the same, shall have been given to the Company by the Trustee by registered mail, or to the Company and the Trustee by the Holders of not less than 25% in aggregate principal amount of the Notes at the time outstanding;

(4) prior to the Release Date, a default (as defined in the First Mortgage) has occurred and is continuing; PROVIDED, HOWEVER, that anything in this Indenture to the contrary notwithstanding, the waiver or cure of such default under the First Mortgage and the rescission and annulment of the consequences thereof under the First Mortgage shall constitute a waiver of the corresponding Event of Default hereunder and a rescission and annulment of the consequences thereof hereunder.

(5) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable law, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or for any substantial part of the property of the Company, or ordering the winding up or liquidation of the affairs of the Company, and such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days; or

(6) the Company shall commence a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or any other case or proceeding to be adjudicated a bankrupt or insolvent, or consent to the entry of a decree or order for relief in an involuntary case under any such law, or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable law, or consent to the filing of such petition or to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or for any substantial part of the property of the Company, or make any general assignment for the benefit of creditors, or the notice by it in writing of its inability to pay its debts generally as they become due, or the taking of any corporate action by the Company in furtherance of any such action;

then, unless the principal of and interest on all of the Notes shall have already become due and payable, either the Trustee or the Holders of not less than 33% in aggregate principal amount of the Notes then outstanding, by notice in writing to the Company (and to the Trustee if given by such Holders), may declare the principal of and interest on all the Notes to be due and payable immediately and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Notes contained to the contrary notwithstanding and, upon the Notes being declared to be due and payable, the Trustee shall immediately file with the Mortgage Trustee a written demand for redemption of all Senior Note First Mortgage Bonds to the extent provided in the applicable provisions of the supplemental indentures to the First Mortgage.

The foregoing paragraph, however, is subject to the condition that if, at any time after the principal of and interest on the Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, and prior to the acceleration of all of the First Mortgage Bonds issued and outstanding under the First Mortgage, the Company shall pay or shall deposit with the Trustee a sum sufficient to pay all matured installments of interest upon all of the Notes and the principal of and any premium on any and all Notes which shall have become due otherwise than by acceleration (with interest on overdue installments of interest, to the extent that payment of such interest is enforceable under applicable law, and on such principal and applicable premium at the rate borne by the Notes to the date of such payment or deposit) and all sums paid or advanced by the Trustee hereunder, the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 9.06 hereof, and any and all Events of Default, other than the non-payment of principal of and accrued interest on any Notes which shall have become due solely by acceleration of maturity, shall have been cured or waived (including any defaults under the First Mortgage, as evidenced by notice thereof from the Mortgage Trustee to the Trustee), then and in every such case such payment or deposit shall cause an automatic waiver of the Event of Default and its consequences (including, if given, the written demand for redemption of all Senior Note First Mortgage Bonds) and shall cause an automatic rescission and annulment of the acceleration of the Notes; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon.

(b) If the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Company and the Trustee shall continue as though no such proceeding had been taken.

Section 8.02 COLLECTION OF INDEBTEDNESS BY TRUSTEE; TRUSTEE MAY PROVE DEBT. (a) The Company covenants that if an Event of Default described in clause

(a)(1) or (a)(2) of Section 8.01 hereof shall have occurred and be continuing, then, upon demand of the Trustee, the Company shall pay to the Trustee, for the benefit of the Holders of the Notes, the whole amount that then shall have so become due and payable on all such Notes for principal or interest, as the case may be, with interest upon the overdue principal and any premium and (to the extent that payment of such interest is enforceable under applicable law) upon the overdue installments of interest at the rate borne by the Notes; and, in addition thereto, such further amounts as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, any expenses or liabilities incurred by the Trustee hereunder other than through its negligence or bad faith. Until such demand is made by the Trustee, the Company may pay the principal of and interest on the Notes to the Holders, whether or not the Notes be overdue.

(b) In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid, including, prior to the Release Date, to exercise any rights to that end it

may have as a holder of Senior Note First Mortgage Bonds, and may enforce any such judgment or final decree against the Company or any other obligor on the Notes and collect in the manner provided by law out of the property of the Company or any other obligor on such Notes wherever situated, the moneys adjudged or decreed to be payable.

(c) In case there shall be pending proceedings relative to the Company or any other obligor upon the Notes under Title 11 of the United States Code or any other applicable Federal or state bankruptcy, insolvency or other similar law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or its property or such other obligor, or in case of any other comparable judicial proceedings relative to the Company or such other obligor, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise:

(1) to file and prove a claim or claims for the whole amount of the principal and interest owing and unpaid in respect of the Notes, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including, prior to the Release Date, any claims of the Trustee as holder of Senior Note First Mortgage Bonds and including any amounts due to the Trustee under Section 9.06 hereof) and of the Noteholders allowed in any judicial proceedings relative to the Company or such other obligor, or to the creditors or property of the Company or such other obligor; and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Noteholders and of the Trustee on their behalf; and any trustee, receiver, liquidator, custodian or other similar official is hereby authorized by each of the Noteholders to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of the payments directly to the Noteholders, to pay to the Trustee such amounts due pursuant to Section 9.06 hereof.

(d) Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes of any series or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding except to vote for the election of a trustee in bankruptcy or similar person.

(e) All rights of action and of asserting claims under this Indenture, or under any of the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof at any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses,

disbursements and compensation of the Trustee and its agents, attorneys and counsel, shall be for the ratable benefit of the Holders of the Notes in respect of which such action was taken.

(f) In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party), the Trustee shall be held to represent all the Holders of the Notes in respect to which action was taken, and it shall not be necessary to make any Holders of such Notes parties to any such proceedings.

Section 8.03 APPLICATION OF PROCEEDS. Any moneys collected by the Trustee with respect to any of the Notes pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee for the distribution of such moneys, upon presentation of the several Notes, and stamping thereon the payment, if only partially paid, and upon surrender thereof if fully paid.

FIRST: To the payment of all amounts due to the Trustee pursuant to Section 9.06 hereof;

SECOND: In case the principal of the outstanding Notes in respect of which such moneys have been collected shall not have become due and be unpaid, to the payment of interest on the Notes, in the order of the maturity of the installments of such interest, with interest (to the extent allowed by law) upon the overdue installments of interest at the rate borne by the Notes, such payments to be made ratably to the persons entitled thereto, and then to the payment to the Holders entitled thereto of the unpaid principal of and applicable premium on any of the Notes which shall have become due (other than Notes previously called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), whether at stated maturity or by redemption, in the order of their due dates, beginning with the earliest due date, and if the amount available is not sufficient to pay in full all Notes due on any particular date, then to the payment thereof ratably, according to the amounts of principal and applicable premium due on that date, to the Holders entitled thereto, without any discrimination or privilege;

THIRD: In case the principal of the outstanding Notes in respect of which such moneys have been collected shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Notes for principal and any premium and interest thereon, with interest on the overdue principal and any premium and (to the extent allowed by law) upon overdue installments of interest at the rate borne by the Notes; and in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid upon the Notes, then to the payment of such principal and any premium and interest without preference or priority of principal and any premium over interest, or of interest over principal and any premium or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably to the aggregate of such principal and any premium and accrued and unpaid interest; and

FOURTH: To the payment of the remainder, if any, to the Company or its successors or assigns, or to whomsoever may lawfully be entitled to the same, or as a court of competent jurisdiction may determine.

Section 8.04 LIMITATIONS ON SUITS BY NOTEHOLDERS. (a) No Holder of any Note shall have any right by virtue of or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of an Event of Default with respect to such Note and of the continuance thereof, as hereinabove provided, and unless also Noteholders of a majority in aggregate principal amount of the Notes then outstanding affected by such Event of Default shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; it being understood and intended, and being expressly covenanted by the taker and Holder of every Note with every other taker and Holder and the Trustee, that no one or more Holders of Notes shall have any right in any manner whatever by virtue or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any other Holder of Notes, or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Notes. For the protection and enforcement of the provisions of this Section, each and every Noteholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

(b) Notwithstanding any other provision in this Indenture, however, the rights of any Holder of any Note to receive payment of the principal of and any premium and interest on such Note, on or after the respective due dates expressed in such Note or on the applicable redemption date, or to institute suit for the enforcement of any such payment on or after such respective dates are absolute and unconditional, and shall not be impaired or affected without the consent of such Holder.

Section 8.05 SUITS FOR ENFORCEMENT. In case an Event of Default has occurred, has not been waived and is continuing, hereunder the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture, including, prior to the Release Date, its rights as holder of the Senior Note First Mortgage Bonds, by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either by suit in equity or by action at law or by proceeding in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted to it under this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 8.06 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER OF DEFAULT. No right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Notes is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

No delay or omission of the Trustee or of any Holder of Notes to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and, subject to

Section 8.04, every right and power given by this Indenture or by law to the Trustee or to the Holders of Notes may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders of Notes, as the case may be.

Section 8.07 DIRECTION OF PROCEEDINGS AND WAIVER OF DEFAULTS BY MAJORITY OF NOTEHOLDERS. (a) The Holders of a majority in aggregate principal amount of the Notes at the time outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; **PROVIDED**, that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture; and **PROVIDED FURTHER** that (subject to Section 9.01 hereof) the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel determines that the action or proceeding so directed may not lawfully be taken or if the Trustee in good faith by its board of directors or trustees, executive committee, or a trust committee of directors or trustees or responsible officers shall determine that the action or proceeding so directed would involve the Trustee in personal liability. Nothing in this Indenture shall impair the right of the Trustee in its discretion to take any action deemed proper by the Trustee and which is not inconsistent with such direction or directions by Noteholders.

(b) The Holders of a majority in aggregate principal amount of the Notes at the time outstanding may on behalf of all of the Holders of the Notes waive any past default or Event of Default hereunder and its consequences except a default in the payment of principal of or any premium or interest on the Notes. Upon any such waiver the Company, the Trustee and the Holders of the Notes shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon. Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to be continuing, and any Event of Default arising therefrom shall be deemed to have been cured and not to be continuing, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 8.08 NOTICE OF DEFAULT. The Trustee shall, within 90 days after the occurrence of a default with respect to the Notes, give to all Holders of the Notes, in the manner provided in Section 15.10, notice of such default actually known to the Trustee, unless such default shall have been cured or waived before the giving of such notice, the term "default" for the purpose of this Section 8.08 being hereby defined to be any event which is or after notice or lapse of time or both would become an Event of Default; **PROVIDED** that, except in the case of default in the payment of the principal of or any premium or interest on any of the Notes, or in the payment of any sinking or purchase fund installments, the Trustee shall be protected in withholding such notice if and so long as its board of directors or trustees, executive committee, or a trust committee of directors or trustees or responsible officers in good faith determines that the withholding of such notice is in the interests of the Holders of the Notes.

Section 8.09 UNDERTAKING TO PAY COSTS. All parties to this Indenture agree, and each Holder of any Note by acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but this Section 8.09 shall not apply to any suit instituted by the Trustee, or to any suit instituted by any Noteholder, or group of Noteholders, holding in the aggregate more than 10% in principal amount of the Notes outstanding, or to any suit instituted by any Noteholder for the enforcement of the payment of the principal of or any premium or interest on any Note on or after the due date expressed in such Note or the applicable redemption date.

Section 8.10 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS. In case the Trustee or any Holder shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or to such Holder, then, and in every such case, the Company, the Trustee and the Holders shall be restored respectively to their former positions and rights hereunder, and all rights, remedies and powers of the Company, the Trustee and the Holders shall continue as though no such proceedings had been taken.

Section 8.11 DEFAULTS UNDER THE FIRST MORTGAGE. In addition to every other right and remedy provided herein, the Trustee may exercise any right or remedy available to the Trustee in its capacity as owner and holder of Senior Note First Mortgage Bonds which arises as a result of a default under the First Mortgage whether or not an Event of Default under this Indenture shall then have occurred and be continuing.

Section 8.12 WAIVER OF USURY, STAY OR EXTENSION LAWS. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE IX

CONCERNING THE TRUSTEE

Section 9.01 DUTIES AND RESPONSIBILITIES OF TRUSTEE. (a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the

same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) No provisions of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) prior to the occurrence of any Event of Default and after the curing or waiving of all Events of Default which may have occurred

(A) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(B) in the absence of bad faith or actual knowledge on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction, pursuant to this Indenture, of the Holders of a majority in principal amount of the Notes, including, but not limited to, Section 8.07 hereof relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 9.02 RELIANCE ON DOCUMENTS, OPINIONS, ETC. Except as otherwise provided in Section 9.01 hereof:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof is herein specifically prescribed); and any Board Resolution may be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company;

(c) the Trustee may consult with counsel of its selection and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Noteholders, pursuant to this Indenture, unless such Noteholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred by such exercise;

(e) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(f) prior to the occurrence of an Event of Default hereunder and after the curing or waiving of all Events of Default, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, note or other paper or document, unless requested in writing to do so by the Holders of at least a majority in principal amount of the then outstanding Notes; PROVIDED that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by this Indenture, the Trustee may require reasonable indemnity against such expense or liability as a condition to so proceeding;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys; PROVIDED that the Trustee shall not be liable for the conduct or acts of any such agent or attorney that shall have been appointed in accordance herewith with due care.

Section 9.03 NO RESPONSIBILITY FOR RECITALS, ETC. The recitals contained herein and in the Notes (except in the certificate of authentication) shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Notes. The

Trustee shall not be accountable for the use or application by the Company of any Notes or the proceeds of any Notes authenticated and delivered by the Trustee in conformity with this Indenture.

Section 9.04 TRUSTEE, AUTHENTICATING AGENT, PAYING AGENT OR REGISTRAR MAY OWN NOTES. The Trustee and any Authenticating Agent or paying agent in its individual or other capacity, may become the owner or pledgee of Notes with the same rights it would have if it were not Trustee, Authenticating Agent or paying agent.

Section 9.05 MONEYS TO BE HELD IN TRUST. Subject to Section 5.04 hereof, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee may allow and credit to the Company interest on any money received hereunder at such rate, if any, as may be agreed upon by the Company and the Trustee from time to time as may be permitted by law.

Section 9.06 COMPENSATION AND EXPENSES OF TRUSTEE. The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as the Company and the Trustee shall from time to time agree in writing (which shall not be limited by any law in regard to the compensation of a trustee of an express trust), and the Company shall pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with this Indenture (including the reasonable compensation and the reasonable expenses and disbursements of its counsel and agents, including any Authenticating Agents, and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The Company also covenants to indemnify each of the Trustee or any predecessor and their agents for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee and arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability. The obligations of the Company under this

Section 9.06 to compensate the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall constitute additional indebtedness hereunder. Such additional indebtedness shall be secured by a lien prior to that of the Notes upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the Holders of any particular Notes. The provisions of this Section 9.06 shall survive termination of this Indenture.

Section 9.07 OFFICERS' CERTIFICATE AS EVIDENCE. Whenever in the administration of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to the taking, suffering or omitting of any action hereunder, such matter (unless other evidence in respect thereof is herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such Officers' Certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under this Indenture in reliance thereon.

Section 9.08 CONFLICTING INTEREST OF TRUSTEE. The Trustee shall be subject to and shall comply with the provisions of Section 310 (b) of the TIA. Nothing in this Indenture shall be

deemed to prohibit the Trustee or the Company from making any application permitted pursuant to such section.

Section 9.09 EXISTENCE AND ELIGIBILITY OF TRUSTEE. There shall at all times be a Trustee hereunder which Trustee shall at all times be a corporation organized and doing business under the laws of the United States or any State thereof or of the District of Columbia having a combined capital and surplus of at least \$50,000,000 and which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by Federal or state authorities. Such corporation shall have its principal place of business in the City of St. Louis, Missouri or the Borough of Manhattan, The City of New York, State of New York, if there be such a corporation in such location willing to act upon reasonable and customary terms and conditions. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid authority, then for the purposes of this Section 9.09, the combined capital and surplus shall be deemed to be as set forth in its most recent report of condition so published. No obligor upon the Notes or Person directly or indirectly controlling, controlled by, or under common control with such obligor shall serve as Trustee. If at any time the Trustee shall cease to be eligible in accordance with this Section 9.09, the Trustee shall resign immediately in the manner and with the effect specified in Section 9.10 hereof.

Section 9.10 RESIGNATION OR REMOVAL OF TRUSTEE. (a) Pursuant to the provisions of this Article, the Trustee may at any time resign and be discharged of the trusts created by this Indenture by giving written notice to the Company specifying the day upon which such resignation shall take effect, and such resignation shall take effect immediately upon the later of the appointment of a successor trustee and such day.

(b) Any Trustee may be removed at any time by an instrument or concurrent instruments in writing filed with such Trustee and signed and acknowledged by the Holders of a majority in principal amount of the then outstanding Notes or by their attorneys in fact duly authorized.

(c) So long as no Event of Default has occurred and is continuing, and no event has occurred and is continuing that, with the giving of notice or the lapse of time or both, would become an Event of Default, the Company may remove any Trustee upon written notice to the Holder of each Note Outstanding and the Trustee and appoint a successor Trustee meeting the requirements of Section 9.09. The Company or the successor Trustee shall give notice to the Holders, in the manner provided in Section 15.10, of such removal and appointment within 30 days of such removal and appointment.

(d) If at any time (i) the Trustee shall cease to be eligible in accordance with Section 9.09 hereof and shall fail to resign after written request therefor by the Company or by any Holder who has been a bona fide Holder for at least six months, (ii) the Trustee shall fail to comply with Section 9.08 hereof after written request therefor by the Company or any such Holder, or (iii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Trustee may be removed forthwith by an instrument or concurrent instruments in writing filed with the Trustee and either:

- (1) signed by the President or any Vice President of the Company and attested by the Secretary or an Assistant Secretary of the Company; or
- (2) signed and acknowledged by the Holders of a majority in principal amount of outstanding Notes or by their attorneys in fact duly authorized.
- (e) Any resignation or removal of the Trustee shall not become effective until acceptance of appointment by the successor Trustee as provided in Section 9.11 hereof.

Section 9.11 APPOINTMENT OF SUCCESSOR TRUSTEE. (a) If at any time the Trustee shall resign or be removed, the Company, by a Board Resolution, shall promptly appoint a successor Trustee.

- (b) The Company shall provide written notice of its appointment of a successor Trustee to the Holder of each Note Outstanding following any such appointment.
- (c) If no appointment of a successor Trustee shall be made pursuant to Section 9.11(a) hereof within 60 days after appointment shall be required, any Noteholder or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.
- (d) Any Trustee appointed under this Section 9.11 as a successor Trustee shall be a bank or trust company eligible under Section 9.09 hereof and qualified under Section 9.08 hereof.

Section 9.12 ACCEPTANCE BY SUCCESSOR TRUSTEE. (a) Any successor Trustee appointed as provided in Section 9.11 hereof shall execute, acknowledge and deliver to the Company and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but nevertheless, on the written request of the Company or of the successor Trustee, the Trustee ceasing to act shall, upon payment of any amounts then due it pursuant to Section 9.06 hereof, execute and deliver an instrument transferring to such successor Trustee all the rights and powers of the Trustee so ceasing to act, including all right, title, and interest in the Senior Note First Mortgage Bonds. Upon request of any such successor Trustee, the Company shall execute any and all instruments in writing in order more fully and certainly to vest in and confirm to such successor Trustee all such rights and powers. Any Trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such Trustee to secure any amounts then due it pursuant to Section 9.06 hereof.

- (b) No successor Trustee shall accept appointment as provided in this Section 9.12 unless at the time of such acceptance such successor Trustee shall be qualified under Section 9.08 hereof and eligible under Section 9.09 hereof.

(c) Upon acceptance of appointment by a successor Trustee as provided in this Section 9.12, the successor Trustee shall mail notice of its succession hereunder to all Holders of Notes as the names and addresses of such Holders appear on the registry books.

Section 9.13 SUCCESSION BY MERGER, ETC. (a) Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided such corporation shall be otherwise qualified and eligible under this Article.

(b) If at the time such successor to the Trustee shall succeed to the trusts created by this Indenture any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Indenture provided that the certificates of the Trustee shall have; provided that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Notes in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

Section 9.14 LIMITATIONS ON RIGHTS OF TRUSTEE AS A CREDITOR. The Trustee shall be subject to, and shall comply with, the provisions of Section 311 of the TIA.

Section 9.15 AUTHENTICATING AGENT. (a) There may be one or more Authenticating Agents appointed by the Trustee with the written consent of the Company, with power to act on its behalf and subject to the direction of the Trustee in the authentication and delivery of Notes in connection with transfers and exchanges under Sections 2.06, 2.07, 2.08, 2.13, 3.03, and 13.04 hereof, as fully to all intents and purposes as though such Authenticating Agents had been expressly authorized by those Sections to authenticate and deliver Notes. For all purposes of this Indenture, the authentication and delivery of Notes by any Authenticating Agent pursuant to this Section 9.15 shall be deemed to be the authentication and delivery of such Notes "by the Trustee." Any such Authenticating Agent shall be a bank or trust company or other Person of the character and qualifications set forth in Section 9.09 hereof.

(b) Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which any Authenticating Agent shall be a party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, if such successor corporation is otherwise eligible under this Section 9.15, without the execution or filing of any paper or any further act on the part of the parties hereto or such Authenticating Agent or such successor corporation.

(c) Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section 9.15, the Trustee may, with the written consent of the Company, appoint a successor Authenticating Agent, and upon so doing shall give written notice of such appointment to the Company and shall mail, in the manner provided in Section 15.10, notice of such appointment to the Holders of Notes.

(d) The Trustee agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services, and the Trustee shall be entitled to be reimbursed for such payments, in accordance with Section 9.06 hereof.

(e) Sections 9.02, 9.03, 9.06, 9.07 and 9.09 hereof shall be applicable to any Authenticating Agent.

ARTICLE X

CONCERNING THE NOTEHOLDERS

Section 10.01 **ACTION BY NOTEHOLDERS.** Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the Notes may take any action, the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by such Noteholders in person or by agent or proxy appointed in writing, (b) by the record of such Noteholders voting in favor thereof at any meeting of Noteholders duly called and held in accordance with Article XI hereof, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Noteholders.

Section 10.02 **PROOF OF EXECUTION BY NOTEHOLDERS.** (a) Subject to Sections 9.01, 9.02 and 11.05 hereof, proof of the execution of any instruments by a Noteholder or the agent or proxy for such Noteholder shall be sufficient if made in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee. The ownership of Notes shall be proved by the register for the Notes maintained by the Trustee.

(b) The record of any Noteholders' meeting shall be proven in the manner provided in Section 11.06 hereof.

Section 10.03 **PERSONS DEEMED ABSOLUTE OWNERS.** Subject to Sections 2.04(f) and 10.01 hereof, the Company, the Trustee, any paying agent and any Authenticating Agent shall deem the person in whose name any Note shall be registered upon the register for the Notes to be, and shall treat such person as, the absolute owner of such Note (whether or not such Note shall be overdue) for the purpose of receiving payment of or on account of the principal and premium, if any, and interest on such Note, and for all other purposes; and neither the Company nor the Trustee nor any paying agent nor any Authenticating Agent shall be affected by any notice to the

contrary. All such payments shall be valid and effectual to satisfy and discharge the liability upon any such Note to the extent of the sum or sums so paid.

Section 10.04 COMPANY-OWNED NOTES DISREGARDED. In determining whether the Holders of the requisite aggregate principal amount of outstanding Notes have concurred in any direction, consent or waiver under this Indenture, Notes that are owned by the Company or any other obligor on the Notes or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Notes shall be disregarded and deemed not to be outstanding for the purpose of any such determination; PROVIDED that, for the purposes of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Notes which the Trustee knows are so owned shall be so disregarded. Notes so owned which have been pledged in good faith to third parties may be regarded as outstanding for the purposes of this Section 10.04 if the pledgee shall establish the pledgee's right to take action with respect to such Notes and that the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any such other obligor. In the case of a dispute as to such right, the Trustee may rely upon an Opinion of Counsel and an Officers' Certificate to establish the foregoing.

Section 10.05 REVOCATION OF CONSENTS; FUTURE HOLDERS BOUND. Except as may be otherwise required in the case of a Global Note by the applicable rules and regulations of the Depositary, at any time prior to the taking of any action by the Holders of the percentage in aggregate principal amount of the Notes specified in this Indenture in connection with such action, any Holder of a Note, which has been included in the Notes the Holders of which have consented to such action may, by filing written notice with the Trustee at the corporate trust office of the Trustee and upon proof of ownership as provided in Section 10.02(a) hereof, revoke such action so far as it concerns such Note. Except as aforesaid, any such action taken by the Holder of any Note shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Note and of any Notes issued in exchange, substitution or upon registration of transfer therefor, irrespective of whether or not any notation thereof is made upon such Note or such other Notes.

Section 10.06 RECORD DATE FOR NOTEHOLDER ACTS. If the Company shall solicit from the Noteholders any request, demand, authorization, direction, notice, consent, waiver or other act, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of Noteholders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other act may be given before or after the record date, but only the Noteholders of record at the close of business on the record date shall be deemed to be Noteholders for the purpose of determining whether Holders of the requisite aggregate principal amount of outstanding Notes have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other act, and for that purpose the outstanding Notes shall be computed as of the record date; PROVIDED that no such request, demand, authorization, direction, notice, consent, waiver or other act by the Noteholders on the record date shall be deemed effective unless it shall become effective pursuant to this Indenture not later than six months after the record date. Any such record date shall be at least 30 days prior to the date of the solicitation to the Noteholders by the Company.

ARTICLE XI

NOTEHOLDERS' MEETING

Section 11.01 **PURPOSES OF MEETINGS.** A meeting of Noteholders may be called at any time and from time to time pursuant to this Article XI for any of the following purposes:

- (a) to give any notice to the Company or to the Trustee, or to give any directions to the Trustee, or to consent to the waiving of any Event of Default hereunder and its consequences, or to take any other action authorized to be taken by Noteholders pursuant to Article XIII;
- (b) to remove the Trustee pursuant to Article IX;
- (c) to consent to the execution of an indenture or indentures supplemental hereto pursuant to Section 13.02 hereof; or
- (d) to take any other action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Notes, as the case may be, under any other provision of this Indenture or under applicable law.

Section 11.02 **CALL OF MEETINGS BY TRUSTEE.** The Trustee may at any time call a meeting of Holders of Notes to take any action specified in Section 11.01 hereof, to be held at such time and at such place as the Trustee shall determine. Notice of every such meeting of Noteholders, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given to Holders of the Notes that may be affected by the action proposed to be taken at such meeting in the manner provided in Section 15.10 hereof. Such notice shall be given not less than 20 nor more than 90 days prior to the date fixed for such meeting.

Section 11.03 **CALL OF MEETINGS BY COMPANY OR NOTEHOLDERS.** If at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% in aggregate principal amount of the Notes then outstanding, shall have requested the Trustee to call a meeting of Noteholders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Company or such Noteholders may determine the time and the place for such meeting and may call such meeting to take any action authorized in Section 11.01 hereof, by giving notice thereof as provided in Section 11.02 hereof.

Section 11.04 **QUALIFICATIONS FOR VOTING.** To be entitled to vote at any meetings of Noteholders a Person shall (a) be a Holder of one or more Notes affected by the action proposed to be taken or (b) be a Person appointed by an instrument in writing as proxy by a Holder of one or more such Notes. The only Persons who shall be entitled to be present or to speak at any meeting of Noteholders shall be the Persons entitled to vote at such meeting and their counsel and any representatives (including employees) of the Trustee and its counsel and any representatives (including employees) of the Company and its counsel.

Section 11.05 REGULATIONS. (a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Noteholders in regard to proof of the holding of Notes and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

(b) The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by the Noteholders as provided in Section 11.03 hereof, in which case the Company or Noteholders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by the Holders of a majority in aggregate principal amount of the Notes present in person or by proxy at the meeting.

(c) Subject to Section 10.04 hereof, at any meeting each Noteholder or proxy shall be entitled to one vote for each \$1,000 principal amount of Notes held or represented by such Noteholder; PROVIDED that no vote shall be cast or counted at any meeting in respect of any Note determined to be not outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Notes held by such chairman or instruments in writing as aforesaid duly designating such chairman as the person to vote on behalf of other Noteholders. At any meeting of Noteholders duly called pursuant to Section 11.02 or 11.03 hereof, the presence of persons holding or representing Notes in an aggregate principal amount sufficient to take action on any business for the transaction for which such meeting was called shall constitute a quorum. Any meeting of Noteholders duly called pursuant to Section 11.02 or 11.03 hereof may be adjourned from time to time by the Holders of a majority in aggregate principal amount of the Notes present in person or by proxy at the meeting, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

Section 11.06 VOTING. The vote upon any resolution submitted to any meeting of Noteholders shall be by written ballots on which shall be subscribed the signatures of the Holders of Notes or of their representatives by proxy and the principal amount of Notes held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of such meeting of Noteholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 11.02 hereof. The record shall show the aggregate principal amount of the Notes voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee and the Trustee shall have the ballots taken at the meeting attached to such duplicate. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 11.07 RIGHTS OF TRUSTEE OR NOTEHOLDERS NOT DELAYED. Nothing in this Article XI shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Noteholders or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders of Notes under any of the provisions of this Indenture or of the Notes.

ARTICLE XII

CONSOLIDATION, MERGER, SALE, TRANSFER OR CONVEYANCE

Section 12.01 COMPANY MAY CONSOLIDATE, ETC. ONLY ON CERTAIN TERMS. The Company shall not consolidate with or merge into any other corporation or sell or otherwise dispose of its properties as or substantially as an entirety to any Person unless the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and the supplemental indenture referred to in clause (b) below comply with this Article XII and that all conditions precedent herein provided for have been complied with, and the corporation formed by such consolidation or into which the Company is merged or the Person which receives such properties pursuant to such sale, transfer or other disposition (a) shall be a corporation organized and existing under the laws of the United States of America, any state thereof or the District of Columbia; (b) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of and premium and interest on all of the Notes and the performance of every covenant of this Indenture on the part of the Company to be performed or observed and (c) if such consolidation, merger, sale, transfer or other disposition occurs prior to the Release Date, shall expressly assume, by an indenture supplemental to the First Mortgage, executed and delivered to the Mortgage Trustee, the due and punctual payment of the principal of and premium and interest on all of the Senior Note First Mortgage Bonds and the performance of every covenant of the First Mortgage on the part of the Company to be performed or observed.

Anything in this Indenture to the contrary notwithstanding, the conveyance or other transfer by the Company of (a) all or any portion of its facilities for the generation of electric energy, (b) all of its facilities for the transmission of electric energy or (c) all of its facilities for the distribution of natural gas, in each case considered alone or in any combination with properties described in any other clause, shall in no event be deemed to constitute a conveyance or other transfer of all the properties of the Company, as or substantially as an entirety. The character of particular facilities shall be determined in accordance with the Uniform System of Accounts prescribed for public utilities and licensees subject to the Federal Power Act, as amended, to the extent applicable.

Section 12.02 SUCCESSOR CORPORATION SUBSTITUTED. Upon any consolidation or merger, or any sale, transfer or other disposition of the properties of the Company substantially as an entirety in accordance with Section 12.01 hereof, the successor corporation formed by such consolidation or into which the Company is merged or the Person to which such sale, transfer or other disposition is made shall succeed to, and be substituted for and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor

corporation or Person had been named as the Company herein and the Company shall be released from all obligations hereunder.

ARTICLE XIII

SUPPLEMENTAL INDENTURES

Section 13.01 SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF NOTEHOLDERS. (a) The Company, when authorized by Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for one or more of the following purposes:

- (1) to make such provision in regard to matters or questions arising under this Indenture as may be necessary or desirable, and not inconsistent with this Indenture or prejudicial to the interests of the Holders in any material respect, for the purpose of supplying any omission, curing any ambiguity, or curing, correcting or supplementing any defective or inconsistent provision;
- (2) to change or eliminate any of the provisions of this Indenture, PROVIDED that any such change or elimination shall become effective only when there is no Note outstanding created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision or such change or elimination is applicable only to Notes issued after the effective date of such change or elimination;
- (3) to establish the form of Notes of any series as permitted by Section 2.01 hereof or to establish or reflect any terms of any Note of any series determined pursuant to Section 2.05 hereof;
- (4) to evidence the succession of another corporation to the Company as permitted hereunder, and the assumption by any such successor of the covenants of the Company herein and in the Notes;
- (5) to grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority;
- (6) to permit the Trustee to comply with any duties imposed upon it by law;
- (7) to specify further the duties and responsibilities of, and to define further the relationships among, the Trustee, any Authenticating Agent and any paying agent, and to evidence the succession of a successor Trustee as permitted hereunder;
- (8) to add to the covenants of the Company for the benefit of the Holders of one or more series of Notes, to add to the security for all of the Notes, to surrender a right or power conferred on the Company herein or to add any Event of Default with respect to one or more series of Notes;

(9) to add provisions permitting the Company to be released with respect to one or more series of outstanding Notes from its obligations under Sections 6.07, 6.08 or Article XII (and providing that no Event of Default shall be deemed to have occurred as a result of the Company's noncompliance with such obligations) if the Company makes the deposit of cash and/or U.S. Government Obligations with respect to such series of Notes required by Section 5.01 and otherwise complies with the requirements of such Section (except that the opinion of counsel referred to in Section 5.01(a)(3) need not be based on an External Tax Pronouncement);

(10) to comply with the Company's obligations under Section 6.07; and

(11) to make any other change that is not prejudicial to the Holders.

(b) The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(c) Any supplemental indenture authorized by this Section 13.01 may be executed by the Company and the Trustee without the consent of the Holders of any of the Notes at the time outstanding, notwithstanding any of the provisions of Section 13.02 hereof.

Section 13.02 SUPPLEMENTAL INDENTURES WITH CONSENT OF NOTEHOLDERS. (a) With the consent (evidenced as provided in Section 10.01 hereof) of the Holders of a majority in aggregate principal amount of the Notes of all series at the time outstanding, considered as one class, the Company, when authorized by Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture or of any supplemental indenture or of modifying or waiving in any manner the rights of the Noteholders; provided that no such supplemental indenture shall:

(1) change the Stated Maturity of any Note, or reduce the rate (or change the method of calculation thereof) or extend the time of payment of interest thereon, or reduce the principal amount thereof or any premium thereon, or change the coin or currency in which the principal of any Note or any premium or interest thereon is payable, or change the date on which any Note may be redeemed or adversely affect the rights of the Noteholders to institute suit for the enforcement of any payment of principal of or any premium or interest on any Note, or impair the interest hereunder of the Trustee in the Senior Note First Mortgage Bonds, or prior to the Release Date, reduce the principal amount of any series of Senior Note First Mortgage Bonds to an amount less than the principal amount of the Related Series of Notes or alter the payment provisions of such Senior Note First Mortgage Bonds in a manner adverse to the Holders of the Notes, in each case without the consent of the Holder of each Note so affected; or

(2) modify this Section 13.02(a) or reduce the aforesaid percentage of Notes, the Holders of which are required to consent to any such supplemental indenture or to reduce the percentage of Notes, the Holders of which are required to waive Events of Default, in each case, without the consent of the Holders of all of the Notes affected thereby then outstanding.

(b) Upon the request of the Company, accompanied by a copy of the Board Resolution authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Noteholders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

(c) A supplemental indenture which changes, waives or eliminates any covenant or other provision of this Indenture (or any supplemental indenture) which has expressly been included solely for the benefit of one or more series of Notes, or which modifies the rights of the Holders of Notes of such series with respect to such covenant or provision, shall be deemed not to affect the rights under this Indenture of the Holders of Notes of any other series.

(d) It shall not be necessary for the consent of the Holders of Notes under this Section 13.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(e) Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to this Section 13.02, the Trustee shall give notice in the manner provided in Section 15.10 hereof, setting forth in general terms the substance of such supplemental indenture, to all Noteholders. Any failure of the Trustee to give such notice or any defect therein shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Section 13.03 COMPLIANCE WITH TRUST INDENTURE ACT; EFFECT OF SUPPLEMENTAL INDENTURES. Any supplemental indenture executed pursuant to this Article XIII shall comply with the TIA. Upon the execution of any supplemental indenture pursuant to this Article XIII, the Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Noteholders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 13.04 NOTATION ON NOTES. Notes of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article XIII may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Notes of any series so modified as approved by the Trustee and the Board of Directors with respect to any modification of this Indenture contained in any

such supplemental indenture may be prepared and executed by the Company, authenticated by the Trustee and delivered in exchange for the Notes of such series then outstanding.

Section 13.05 EVIDENCE OF COMPLIANCE OF SUPPLEMENTAL INDENTURE TO BE FURNISHED TRUSTEE. The Trustee, subject to Sections 9.01 and 9.02 hereof, may receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant hereto complies with the requirements of this Article XIII.

ARTICLE XIV

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

Section 14.01 INDENTURE AND NOTES SOLELY CORPORATE OBLIGATIONS. No recourse for the payment of the principal of or any premium or interest on any Note or any Senior Note First Mortgage Bond, or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company, contained in this Indenture, the First Mortgage or in any supplemental indenture, or in any Note or in any Senior Note First Mortgage Bond, or because of the creation of any indebtedness represented thereby, shall be had against any incorporator, stockholder, officer or director, as such, past, present or future, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issuance of the Notes.

ARTICLE XV

MISCELLANEOUS PROVISIONS

Section 15.01 PROVISIONS BINDING ON COMPANY'S SUCCESSORS. All the covenants, stipulations, promises and agreements made by the Company in this Indenture shall bind its successors and assigns whether so expressed or not.

Section 15.02 OFFICIAL ACTS BY SUCCESSOR CORPORATION. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation that shall at the time be the lawful successor of the Company.

Section 15.03 NOTICES. Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company may be given or served by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the Company with the Trustee) at the Principal Executive Offices of the Company, to the attention of the Secretary. Any notice, direction, request or demand by any Noteholder, the Company or the Mortgage Trustee to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or

made in writing at the corporate trust office of the Trustee, Attention: Corporate Trust Administration, with a copy to BNY Trust Company of Missouri, 911 Washington Avenue, St. Louis, Missouri 63101, Attention: Corporate Trust Department.

Section 15.04 GOVERNING LAW. This Indenture and each Note shall be governed by and deemed to be a contract under, and construed in accordance with, the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of said State without regard to conflicts of law principles thereof.

Section 15.05 EVIDENCE OF COMPLIANCE WITH CONDITIONS PRECEDENT. (a) Upon any application or demand by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture (other than the certificates delivered pursuant to Section 6.06 hereof) shall include (1) a statement that each Person making such certificate or opinion has read such covenant or condition and the definitions relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of each such Person, such Person has made such examination or investigation as is necessary to enable such Person to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of each such Person, such condition or covenant has been complied with.

(c) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(d) Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which such certificate or opinion is based are erroneous. Any such certificate or opinion of counsel delivered under the Indenture may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such person knows, or in the exercise of reasonable care should know, that the certificate or opinion of representations with respect to such matters are erroneous. Any opinion of counsel delivered hereunder may contain standard exceptions and qualifications reasonably satisfactory to the Trustee.

(e) Any certificate, statement or opinion of any officer of the Company, or of counsel, may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an independent public accountant or firm of accountants, unless such officer or counsel, as the case may be, knows that the certificate or opinions or representations with respect to the accounting matters upon which the certificate, statement or opinion of such officer or counsel may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous. Any certificate or opinion of any firm of independent public accountants filed with the Trustee shall contain a statement that such firm is independent.

(f) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 15.06 BUSINESS DAYS. Unless otherwise provided pursuant to Section 2.05(c) hereof, in any case where the date of Maturity of the principal of or any premium or interest on any Note or the date fixed for redemption of any Note is not a Business Day, then payment of such principal or any premium or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of Maturity or the date fixed for redemption, and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal or premium of the Note is required to be paid.

Section 15.07 TRUST INDENTURE ACT TO CONTROL. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with the duties imposed by the TIA, such required provision of the TIA shall govern.

Section 15.08 TABLE OF CONTENTS, HEADINGS, ETC. The table of contents and the titles and headings of the articles and sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 15.09 EXECUTION IN COUNTERPARTS. This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 15.10 MANNER OF MAILING NOTICE TO NOTEHOLDERS. (a) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee or the Company to or on the Holders of Notes, as the case may be, shall be given or served by first-class mail, postage prepaid, addressed to the Holders of such Notes at their last addresses as the same appear on the register for the Notes referred to in Section 2.06, and any such notice shall be deemed to be given or served by being deposited in a post office letter box in the form and manner provided in this Section 15.10. In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give notice to any Holder by mail, then such notification to such Holder as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

(b) The Company shall also provide any notices required under this Indenture by publication, but only to the extent that such publication is required by the TIA, the rules and regulations of the Commission or any securities exchange upon which any series of Notes is listed.

Section 15.11 APPROVAL BY TRUSTEE OF EXPERT OR COUNSEL. Wherever the Trustee is required to approve an Expert or counsel who is to furnish evidence of compliance with conditions precedent in this Indenture, such approval by the Trustee shall be deemed to have been given upon the taking of any action by the Trustee pursuant to and in accordance with the certificate or opinion so furnished by such Expert or counsel.

IN WITNESS WHEREOF, UNION ELECTRIC COMPANY has caused this Indenture to be signed and acknowledged by its Senior Vice President, and attested by its Assistant Secretary, and THE BANK OF NEW YORK has caused this Indenture to be signed and acknowledged by its agent, as of the day and year first written above.

UNION ELECTRIC COMPANY

By /s/ Warner L. Baxter

Name: Warner L. Baxter
Title: Senior Vice President

ATTEST:

/s/ Ronald K. Evans

Name: Ronald K. Evans
Title: Assistant Secretary

**THE BANK OF NEW YORK,
AS TRUSTEE**

By /s/ Albert Lundy

Name: Albert Lundy
Title: As Agent for The Bank of New York

**EXHIBIT A
FORM OF GLOBAL NOTE**

[PRIOR TO RELEASE DATE]

REGISTERED

REGISTERED

Ill. C. C. No. []

THIS NOTE IS A GLOBAL NOTE REGISTERED IN THE NAME OF THE DEPOSITARY (REFERRED TO HEREIN) OR A NOMINEE THEREOF AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE FOR THE INDIVIDUAL NOTES REPRESENTED HEREBY AS PROVIDED IN THE INDENTURE REFERRED TO BELOW, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

	UNION ELECTRIC COMPANY
	SENIOR NOTE, ___% DUE _____
CUSIP:	NUMBER:
ORIGINAL ISSUE DATE:	PRINCIPAL AMOUNT:

INTEREST RATE: MATURITY DATE:

UNION ELECTRIC COMPANY, a corporation of the State of Missouri (the "COMPANY"), for value received hereby promises to pay to CEDE & CO. or registered assigns, the principal sum of _____ DOLLARS (\$_____) on the Maturity Date set forth above, and to pay interest thereon from _____ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually in arrears on the _____ and _____ in each year, commencing _____, at the per annum Interest Rate set forth above, until the principal hereof is paid or made available for payment. No interest shall accrue on the Maturity Date, so long as the principal amount of this Note is paid on the Maturity Date. The interest so payable and punctually paid or duly provided for on any such Interest Payment Date (except for interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration) will, as provided in the Indenture (as defined below), be paid to the Person in whose name this

Note is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____, as the case may be, next preceding such Interest Payment Date; provided that the first Interest Payment Date for any part of this Note, the Original Issue Date of which is after a Regular Record Date but prior to the applicable Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date; and provided that interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration, shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and shall be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Noteholders not more than fifteen days or fewer than ten days prior to such Special Record Date. Payment of the principal of and interest and premium on this Note shall be payable pursuant to

Section 2.12(a) of the Indenture.

This Note is a Global Note in respect of a duly authorized issue of Senior Notes, ___% Due _____ (the "NOTES OF THIS SERIES", which term includes any Global Notes representing such Notes) of the Company issued and to be issued under an Indenture dated as of August 15, 2002, between the Company and The Bank of New York, as trustee (the "TRUSTEE", which term includes any successor Trustee under the Indenture) and indentures supplemental thereto (collectively, the "INDENTURE"). Under the Indenture, one or more series of notes may be issued and, as used herein, the term "Notes" refers to the Notes of this Series and any other outstanding series of Notes. Reference is hereby made to the Indenture for a more complete statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Noteholders and of the terms upon which the Notes are and are to be authenticated and delivered. This Note has been issued in respect of the series designated on the first page hereof, in the aggregate principal amount of \$_____.

Prior to the Release Date (as hereinafter defined), the Notes will be secured by first mortgage bonds (the "SENIOR NOTE FIRST MORTGAGE BONDS") delivered by the Company to the Trustee for the benefit of the Holders of the Notes, issued under the Indenture of Mortgage or Deed of Trust, dated June 15, 1937, from the Company to The Bank of New York, as successor trustee (the "MORTGAGE TRUSTEE"), as supplemented and modified (collectively, the "FIRST MORTGAGE"). Reference is made to the First Mortgage and the Indenture for a description of the rights of the Trustee as holder of the Senior Note First Mortgage Bonds, the property mortgaged and pledged, the nature and extent of the security and the rights of the holders of first mortgage bonds, under the First Mortgage and the rights of the Company and of the Mortgage Trustee in respect thereof, the duties and immunities of the Mortgage Trustee and the terms and conditions upon which the Senior Note First Mortgage Bonds are secured and the circumstances under which additional first mortgage bonds may be issued.

From and after such time as all first mortgage bonds (other than Senior Note First Mortgage Bonds) issued under the First Mortgage have been retired through payment, redemption or otherwise at, before or after the maturity thereof (the "Release Date"), the Senior Note First Mortgage Bonds shall cease to secure the Notes in any manner. In certain circumstances prior to the Release Date as provided in the Indenture, the Company is permitted

to reduce the aggregate principal amount of a series of Senior Note First Mortgage Bonds held by the Trustee, but in no event prior to the Release Date to an amount less than the aggregate outstanding principal amount of the series of Notes initially issued contemporaneously with such Senior Note First Mortgage Bonds.

Each Note of this Series shall be dated and issued as of the date of its authentication by the Trustee and shall bear an Original Issue Date. Each Note issued upon transfer, exchange or substitution of such Note shall bear the Original Issue Date of such transferred, exchanged or substituted Note, as the case may be.

[Insert redemption provisions, if any]

Interest payments for this Note shall be computed and paid on the basis of a 360-day year of twelve 30-day months (and for any partial periods shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months). If any Interest Payment Date or date on which the principal of this Note is required to be paid is not a Business Day, then payment of principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or date on which the principal of this Note is required to be paid and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal of this Note is required to be paid.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the Notes (except for certain obligations including obligations to register the transfer or exchange of Notes, replace stolen, lost or mutilated Notes, maintain paying agencies and hold monies for payment in trust, all as set forth in the Indenture) if the Company deposits with the Trustee money, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide money, or a combination of money and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the Notes on the dates such payments are due in accordance with the terms of the Notes.

If an Event of Default shall occur and be continuing, the principal of and interest on the Notes may be declared due and payable in the manner and with the effect provided in the Indenture and, upon such declaration, the Trustee shall demand the redemption of the Senior Note First Mortgage Bonds to the extent provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the Noteholders under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the outstanding Notes. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange therefor or in lieu thereof whether or not notation of such consent or waiver is made upon this Note.

As set forth in and subject to the provisions of the Indenture, no Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such Notes, the Holders of not less than a majority in principal amount of the outstanding Notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; provided that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and any premium or interest on this Note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Note at the times, places and rates and the coin or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this Note may be transferred only as permitted by the legend hereto and the provisions of the Indenture.

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

Unless the certificate of authentication hereon has been executed by the Trustee, directly or through an Authenticating Agent by manual signature of an authorized officer, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture unless otherwise indicated herein.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

UNION ELECTRIC COMPANY

By:

Title:

Attest:

Title:

**TRUSTEE'S CERTIFICATE
OF AUTHENTICATION**

Dated:

This Note is one of the Notes of the series herein designated, described or provided for in the within- mentioned Indenture.

The Bank of New York, AS TRUSTEE

By:

AUTHORIZED SIGNATORY

A-5

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT

MIN ACT - _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

Under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

State

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address including postal zip code of assignee

the within note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said note on the books of the Company, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program("MSP").

EXHIBIT B
FORM OF NOTE
PRIOR TO RELEASE DATE

REGISTERED

REGISTERED

Ill. C. C. No. []

UNION ELECTRIC COMPANY
SENIOR NOTE, $\frac{\quad}{\quad}\%$ DUE _____

CUSIP:
ORIGINAL ISSUE DATE:

PRINCIPAL AMOUNT:
MATURITY DATE:

INTEREST RATE: NUMBER:

UNION ELECTRIC COMPANY, a corporation of the State of Missouri (the "COMPANY"), for value received hereby promises to pay to _____ or registered assigns, the principal sum of _____ DOLLARS (\$ _____) on the Maturity Date set forth above, and to pay interest thereon from _____ or from the most recent date to which interest has been paid or duly provided for, semi-annually in arrears on _____ and _____ in each year, commencing _____, at the per annum Interest Rate set forth above, until the principal hereof is paid or made available for payment. No interest shall accrue on the Maturity Date, so long as the principal amount of this Note is paid in full on the Maturity Date. The interest so payable and punctually paid or duly provided for on any such Interest Payment Date (except for interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration) will, as provided in the Indenture (as defined below), be paid to the Person in whose name this Note is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____, as the case may be, next preceding such Interest Payment Date; provided that the first Interest Payment Date for any Note of this Series, the Original Issue Date of which is after a Regular Record Date but prior to the applicable Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date; and provided, further, that interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration, shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture (referred to on the reverse hereof), any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and shall be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Noteholders not more than fifteen days nor fewer than ten days prior to such Special Record Date. Principal, applicable premium and interest due at the Maturity of this Note shall be payable in immediately available funds when due upon presentation and surrender of this Note at the corporate trust office of the Trustee or at the authorized office of any paying agent in the Borough of Manhattan, The City and State of New York. Interest on this Note (other than interest payable at Maturity) shall be paid by check payable in clearinghouse funds to the Holder as its name appears on the register; provided that if the Trustee receives a written request from any Holder of Notes, the aggregate principal amount of all of which having the same Interest Payment Date as this Note equals or exceeds \$10,000,000, on or before the applicable Regular Record Date for such Interest Payment Date, interest on this Note shall be paid by wire transfer

of immediately available funds to a bank within the continental United States designated by such Holder in its request or by direct deposit into the account of such Holder designated by such Holder in its request if such account is maintained with the Trustee or any paying agent.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH IN FULL ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH IN FULL AT THIS PLACE.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof, directly or through an Authenticating Agent by manual signature of an authorized officer, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

UNION ELECTRIC COMPANY

By:

Title:

Attest:

Title:

**TRUSTEE'S CERTIFICATE
OF AUTHENTICATION**

Dated:

This Note is one of the Notes of the series herein designated, described or provided for in the within- mentioned Indenture.

The Bank of New York, AS TRUSTEE

By:

AUTHORIZED SIGNATORY

B-2

[FORM OF REVERSE OF NOTE]
UNION ELECTRIC COMPANY SENIOR NOTE, __% DUE ____

This Note is one of a duly authorized issue of Senior Notes, __% Due ____ (the "NOTES OF THIS SERIES") of the Company issued and to be issued under an Indenture dated as of August 15, 2002 between the Company and The Bank of New York, as trustee (the "TRUSTEE", which term includes any successor Trustee under the Indenture) and indentures supplemental thereto (collectively, the "INDENTURE"). Under the Indenture, one or more series of notes may be issued and, as used herein, the term "Notes" refers to the Notes of this Series and any other outstanding series of Notes. Reference is hereby made to the Indenture for a more complete statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Noteholders and of the terms upon which the Notes are and are to be authenticated and delivered. This Note is one of the series designated on the face hereof, limited in aggregate principal amount to \$_____.

Prior to the Release Date (as hereinafter defined), the Notes will be secured by first mortgage bonds (the "SENIOR NOTE FIRST MORTGAGE BONDS") delivered by the Company to the Trustee for the benefit of the Holders of the Notes, issued under the Indenture of Mortgage or Deed of Trust, dated as of June 15, 1937, from the Company to The Bank of New York, as successor trustee (the "MORTGAGE TRUSTEE"), as supplemented and modified (collectively, the "FIRST MORTGAGE"). Reference is made to the First Mortgage and the Indenture for a description of the rights of the Trustee as holder of the Senior Note First Mortgage Bonds, the property mortgaged and pledged, the nature and extent of the security and the rights of the holders of first mortgage bonds, under the First Mortgage and the rights of the Company and of the Mortgage Trustee in respect thereof, the duties and immunities of the Mortgage Trustee and the terms and conditions upon which the Senior Note First Mortgage Bonds are secured and the circumstances under which additional first mortgage bonds may be issued.

From and after such time as all first mortgage bonds (other than Senior Note First Mortgage Bonds) issued under the First Mortgage have been retired through payment, redemption or otherwise at, before or after the maturity thereof (the "Release Date"), the Senior Note First Mortgage Bonds shall cease to secure the notes in any manner. In certain circumstances prior to the Release Date as provided in the Indenture, the Company is permitted to reduce the aggregate principal amount of a series of Senior Note First Mortgage Bonds held by the Trustee, but in no event prior to the Release Date to an amount less than the aggregate outstanding principal amount of the series of Notes initially issued contemporaneously with such Senior Note First Mortgage Bonds.

Each Note of this Series shall be dated and issued as of the date of its authentication by the Trustee and shall bear an Original Issue Date. Each Note issued upon transfer, exchange or substitution of such Note shall bear the Original Issue Date of such transferred, exchanged or substituted Note, as the case may be.

[Insert redemption provisions, if any]

Interest payments for this Note shall be computed and paid on the basis of a 360-day year of twelve 30-day months (and for any partial periods shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months). If any Interest Payment Date or the date on which the principal of this Note is required to be paid is not a Business Day, then payment of principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or the date on which the principal of this Note is required to be paid, and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal of this Note is required to be paid.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the Notes (except for certain obligations including obligations to register the transfer or exchange of Notes, replace stolen, lost or mutilated Notes, maintain paying agencies and hold monies for payment in trust, all as set forth in the Indenture) if the Company deposits with the Trustee money, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide money, or a combination of money and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the Notes on the dates such payments are due in accordance with the terms of the Notes.

If an Event of Default shall occur and be continuing, the principal of and interest on the Notes may be declared due and payable in the manner and with the effect provided in the Indenture and, upon such declaration, the Trustee shall demand the redemption of the Senior Note First Mortgage Bonds to the extent provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the Noteholders under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the outstanding Notes. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange therefor in lieu thereof whether or not notation of such consent or waiver is made upon the Note.

As set forth in and subject to the provisions of the Indenture, no Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such Notes, the Holders of not less than a majority in principal amount of the outstanding Notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; provided that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and any premium or interest on this Note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Note at the times, places and rates and the coin or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable in the Note register. Upon surrender of this Note for registration or transfer at the corporate trust office of the Trustee or such other office or agency as may be designated by the Company in the Borough of Manhattan, the City and State of New York, endorsed by or accompanied by a written instrument of transfer in form satisfactory to the Company and the Note registrar, duly executed by the Holder hereof or the attorney in fact of such Holder duly authorized in writing, one or more new Notes of this Series of like tenor and of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Notes of this Series are issuable only in registered form, without coupons, in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this Series are exchangeable for a like aggregate principal amount of Notes of this Series of like tenor and of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner thereof for all purposes, whether or not this Note is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT

MIN ACT - _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

Under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

_____ State

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address including postal zip code of assignee

the within note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said note on the books of the Company, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program("MSP").

EXHIBIT C
FORM OF GLOBAL NOTE

FOLLOWING RELEASE DATE

REGISTERED

REGISTERED

Ill. C. C. No. []

THIS NOTE IS A GLOBAL NOTE REGISTERED IN THE NAME OF THE DEPOSITARY (REFERRED TO HEREIN) OR A NOMINEE THEREOF AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE FOR THE INDIVIDUAL NOTES REPRESENTED HEREBY AS PROVIDED IN THE INDENTURE REFERRED TO BELOW, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNION ELECTRIC COMPANY
SENIOR NOTE, ___% DUE _____

CUSIP:
ORIGINAL ISSUE DATE:

NUMBER:
PRINCIPAL AMOUNT:

INTEREST RATE: MATURITY DATE:

UNION ELECTRIC COMPANY, a corporation of the State of Missouri (the "COMPANY"), for value received hereby promises to pay to CEDE & CO. or registered assigns, the principal sum of _____ DOLLARS (\$_____) on the Maturity Date set forth above, and to pay interest thereon _____ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually in arrears on the _____ and _____ in each year, commencing _____, at the per annum Interest Rate set forth above, until the principal hereof is paid or made available for payment. No interest shall accrue on the Maturity Date, so long as the principal amount of this Note is paid on the Maturity Date. The interest so payable and punctually paid or duly provided for on any such Interest Payment Date (except for interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration) will, as provided in the Indenture (as defined below), be paid to the Person in whose name this Note is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____, as the case may be, next

preceding such Interest Payment Date; provided, that the first Interest Payment Date for any part of this Note, the Original Issue Date of which is after a Regular Record Date but prior to the applicable Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date; and provided, that interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration, shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and shall be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Noteholders not more than fifteen days or fewer than ten days prior to such Special Record Date. Payment of the principal of and interest and premium on this shall be payable pursuant to Section 2.12(a) of the Indenture.

This Note is a Global Note in respect of a duly authorized issue of Senior Notes, ___% Due ____ (the "NOTES OF THIS SERIES", which term includes any Global Notes representing such Notes) of the Company issued and to be issued under an Indenture dated as of August 15, 2002 between the Company and The Bank of New York, as trustee (herein called the "TRUSTEE", which term includes any successor Trustee under the Indenture) and indentures supplemental thereto (collectively, the "INDENTURE"). Under the Indenture, one or more series of notes may be issued and, as used herein, the term "Notes" refers to the Notes of this Series and any other outstanding series of Notes. Reference is hereby made to the Indenture for a more complete statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Noteholders and of the terms upon which the Notes are and are to be authenticated and delivered. This Note has been issued in respect of the series designated on the first page hereof, in the aggregate principal amount of \$_____.

Each Note of this Series shall be dated and issued as of the date of its authentication by the Trustee and shall bear an Original Issue Date. Each Note issued upon transfer, exchange or substitution of such Note or Global Note shall bear the Original Issue Date of such transferred, exchanged or substituted Note or Global Note, as the case may be.

[Insert redemption provisions, if any]

Interest payments for this Note shall be computed and paid on the basis of a 360-day year of twelve 30-day months (and for any partial period shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months). In any case where any Interest Payment Date or date on which the principal of this Note is required to be paid is not a Business Day, then payment of principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or date on which the principal of this Note is required to be paid and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal of this Note is required to be paid.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the Notes (except for certain obligations including obligations to register the transfer or exchange of Notes, replace stolen, lost or mutilated Notes, maintain paying agencies and hold monies for payment in trust,

all as set forth in the Indenture) if the Company deposits with the Trustee money, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide money, or a combination of money and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the Notes on the dates such payments are due in accordance with the terms of the Notes.

If an Event of Default shall occur and be continuing, the principal of and interest on the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the Noteholders under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the outstanding Notes. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange therefor or in lieu thereof whether or not notation of such consent or waiver is made upon this Note.

As set forth in and subject to the provisions of the Indenture, no Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such Notes, the Holders of not less than a majority in principal amount of the outstanding Notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; PROVIDED, HOWEVER, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and any premium or interest on this Note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Note at the times, places and rates and the coin or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this Note may be transferred only as permitted by the legend hereto and the provisions of the Indenture.

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

Unless the certificate of authentication hereon has been executed by the Trustee, directly or through an Authenticating Agent by manual signature of an authorized officer, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture unless otherwise indicated herein.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

UNION ELECTRIC COMPANY

By:

Title:

Attest:

Title:

**TRUSTEE'S CERTIFICATE
OF AUTHENTICATION**

Dated:

This Note is one of the Notes of the series herein designated, described or provided for in the within- mentioned Indenture.

The Bank of New York, AS TRUSTEE

By:

AUTHORIZED SIGNATORY

C-4

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT

MIN ACT - _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

Under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

_____ State

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address including postal zip code of assignee

the within note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said note on the books of the Company, with full power of substitution in the premises. Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

**EXHIBIT D
FORM OF NOTE**

[FOLLOWING RELEASE DATE]

REGISTERED

REGISTERED

Ill. C. C. No. []

UNION ELECTRIC COMPANY
SENIOR NOTE, ___% DUE _____

CUSIP:
ORIGINAL ISSUE DATE:

PRINCIPAL AMOUNT:
MATURITY DATE:

INTEREST RATE: NUMBER:

UNION ELECTRIC COMPANY, a corporation of the State of Missouri (the "COMPANY"), for value received hereby promises to pay to _____ or registered assigns, the principal sum of _____ DOLLARS (\$ _____) on the Maturity Date set forth above, and to pay interest thereon from _____ or from the most recent date to which interest has been paid or duly provided for, semi-annually in arrears on _____ and _____ in each year, commencing _____, at the per annum Interest Rate set forth above, until the principal hereof is paid or made available for payment. No interest shall accrue on the Maturity Date, so long as the principal amount of this Note is paid in full on the Maturity Date. The interest so payable and punctually paid or duly provided for on any such Interest Payment Date will (except for interest payable on the Maturity Date or, if applicable, upon redemption or acceleration), as provided in the Indenture (as defined below), be paid to the Person in whose name this Note is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____, as the case may be, next preceding such Interest Payment Date; provided that the first Interest Payment Date for any Note, the Original Issue Date of which is after a Regular Record Date but prior to the applicable Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date; and provided, that interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration, shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture (referred to on the reverse hereof), any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and shall be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Noteholders not more than fifteen days nor fewer than ten days prior to such Special Record Date. Principal, applicable premium and interest due at the Maturity of this Note shall be payable in immediately available funds when due upon presentation and surrender of this Note at the corporate trust office of the Trustee or at the authorized office of any paying agent in the Borough of Manhattan, The City and State of New York. Interest on this Note (other than interest payable at Maturity) shall be paid by check payable in clearinghouse funds to the Holder as its name appears on the register; provided, that if the Trustee receives a written request from any Holder of Notes, the aggregate principal amount of all of which having the same Interest Payment Date as this Note equals or exceeds \$10,000,000, on or before the applicable Regular Record Date for such Interest

Payment Date, interest on the Note shall be paid by wire transfer of immediately available funds to a bank within the continental United States (designated by such Holder in its request or by direct deposit into the account of such Holder designated by such Holder in its request if such account is maintained with the Trustee or any paying agent.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH IN FULL ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH IN FULL AT THIS PLACE.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof, directly or through an Authenticating Agent by manual signature of an authorized officer, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

UNION ELECTRIC COMPANY

By:

Title:

Attest:

Title:

**TRUSTEE'S CERTIFICATE
OF AUTHENTICATION**

Dated:

This Note is one of the Notes of the series herein designated, described or provided for in the within- mentioned Indenture.

The Bank of New York, AS TRUSTEE

By:

AUTHORIZED SIGNATORY

D-2

**[FORM OF REVERSE OF NOTE]
UNION ELECTRIC COMPANY
SENIOR NOTE, __% DUE ____**

This Note is one of a duly authorized issue of Senior Notes, __% Due ____ Series (the "NOTES OF THIS SERIES") of the Company issued and to be issued under an Indenture dated as of August 15, 2002, between the Company and The Bank of New York, as trustee (herein called the "TRUSTEE", which term includes any successor Trustee under the Indenture) and indentures supplemental thereto (collectively, the "INDENTURE"). Under the Indenture, one or more series of notes may be issued and, as used herein, the term "Notes" refers to the Notes of this Series and any other outstanding series of Notes. Reference is hereby made to the Indenture for a more complete statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Noteholders and of the terms upon which the Notes are and are to be authenticated and delivered. This Note is one of the series designated on the face hereof, limited in aggregate principal amount to \$_____.

Each Note of this Series shall be dated and issued as of the date of its authentication by the Trustee and shall bear an Original Issue Date. Each Note issued upon transfer, exchange or substitution of such Note shall bear the Original Issue Date of such transferred, exchanged or substituted Note, as the case may be.

[Insert redemption provisions, if any]

Interest payments for this Note shall be computed and paid on the basis of a 360-day year of twelve 30-day months (and for any partial periods shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months). In any case where any Interest Payment Date or the date on which the principal of this Note is required to be paid is not a Business Day, then payment of principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or the date on which the principal of this Note is required to be paid, and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal of this Note is required to be paid.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the Notes (except for certain obligations including obligations to register the transfer or exchange of Notes, replace stolen, lost or mutilated Notes, maintain paying agencies and hold monies for payment in trust, all as set forth in the Indenture) if the Company deposits with the Trustee money, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide money, or a combination of money and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the Notes on the dates such payments are due in accordance with the terms of the Notes.

If an Event of Default shall occur and be continuing, the principal of the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the Noteholders under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the outstanding Notes. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange therefor in lieu thereof whether or not notation of such consent or waiver is made upon the Note.

As set forth in and subject to the provisions of the Indenture, no Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such Notes, the Holders of not less than a majority in principal amount of the outstanding Notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and any premium or interest on this Note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Note at the times, places and rates and the coin or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable in the Note register. Upon surrender of this Note for registration or transfer at the corporate trust office of the Trustee or such other office or agency as may be designated by the Company in the Borough of Manhattan, the City and State of New York, endorsed by or accompanied by a written instrument of transfer in form satisfactory to the Company and the Note registrar, duly executed by the Holder hereof or the attorney in fact of such Holder duly authorized in writing, one or more new Notes of this Series of like tenor and of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Notes of this Series are issuable only in registered form, without coupons, in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this Series are exchangeable for a like aggregate principal amount of Notes of this Series of like tenor and of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Note is registered as the owner thereof for all purposes, whether or not this Note is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT

MIN ACT - _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

State

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address including postal zip code of assignee

the within note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said note on the books of the Company, with full power of substitution in the premises. Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program("MSP").

EXHIBIT 4.2

[Union Electric Company Letterhead]

COMPANY ORDER

August 22, 2002

The Bank of New York
101 Barclay Street
Floor 21W
New York, New York 10286

Ladies and Gentlemen:

Application is hereby made to The Bank of New York, a New York banking corporation, as trustee (the "Trustee"), under the Indenture dated as of August 15, 2002 (the "Indenture"), between Union Electric Company, a Missouri corporation (the "Company"), and the Trustee for the authentication and delivery of \$173,000,000 aggregate principal amount of the Company's 5.25% Senior Secured Notes due 2012 (the "Notes"), pursuant to the provisions of Article II of the Indenture. On or after the Release Date, the Company, in its discretion, may change the descriptive title of the Notes to delete the word "Secured" from such descriptive title. All capitalized terms not defined herein which are defined in the Indenture shall have the same meaning as used in the Indenture.

In connection with this Company Order, there are delivered to you herewith the following:

1. Certified copies of the resolutions adopted by the Board of Directors of the Company authorizing this Company Order and the issuance and sale of the Notes by the Company pursuant to Section 2.05(c)(1) of the Indenture;
2. Opinions of Counsel addressed to you or in which it is stated that you may rely pursuant to Section 2.05(c)(2) of the Indenture;
3. Expert's certificate pursuant to Section 2.05(c)(3) of the Indenture;
4. Officers' Certificate pursuant to Section 2.05(c)(4) of the Indenture;
5. A Global Note representing the Notes and, pursuant to Section 2.05(c) of the Indenture, specifying the terms of the Notes (which terms are incorporated by reference herein) executed on behalf of the Company in accordance with the terms of Section 2.05(a) of the Indenture; and
6. Pursuant to Section 2.05(c)(3) of the Indenture, the Company's First Mortgage Bonds designated "First Mortgage Bonds, Senior Notes Series AA" (the "First Mortgage Bonds") in the principal amount of \$173,000,000 relating to the Notes, fully registered in the name of the Trustee in trust for the benefit of the Holders from time to time of such Notes.

You are hereby instructed to authenticate the Global Note representing the Notes and deliver it to The Depository Trust Company ("DTC") or its custodian. The Global Note representing the Notes is to be held for delivery to Banc of America Securities LLC and Credit Suisse First Boston Corporation, on behalf of the several underwriters, against payment therefor at the closing in respect of the sale thereof, such closing to be held at 10:00 a.m., New York time, August 22, 2002, at the offices of Pillsbury Winthrop LLP, One Battery Park Plaza, New York, NY 10004.

Please acknowledge receipt of the Global Note representing the Notes, the instructions referred to above and the supporting documentation pursuant to the Indenture referred to above.

Very truly yours,

Union Electric Company
(d/b/a AmerenUE)

By: /s/ Warner L. Baxter

Name: Warner L. Baxter
Title: Senior Vice President

**CERTIFIED COPY OF RESOLUTIONS ADOPTED AT THE
MEETING OF THE BOARD OF DIRECTORS OF
UNION ELECTRIC COMPANY
HELD ON TUESDAY, APRIL 23, 2002**

RESOLVED, that, in substitution of that portion of the long-term debt authorized at the December 9, 1999 meeting of the Board of Directors which remains unissued and unsold (\$563.5 million of the \$750 million authorized), this Board hereby declares it advisable that the Company issue and sell in one or more series and in any combination up to \$750 million of new securities; that such new securities may be in the form of senior secured debt securities, first mortgage bonds, senior unsecured debt securities, subordinated debt securities, trust preferred securities and related guarantees, and evidences of indebtedness to support the issuance and sale of bonds or notes by the State Environmental Improvement and Energy Resources Authority - Missouri (the "Authority"), or by a combination thereof (the "New Securities"), in amounts to be determined, and with such terms and provisions as shall be later determined by the officers of the Company subject to approval or ratification by the Board; and that such New Securities may be issued, sold, or offered for sale in such manner, by private placement or by public offering, through negotiation or by competitive bidding or otherwise, at such time or times, all as may be determined by the officers of the Company in their discretion or as may be required by contractual arrangement or by law; and further

RESOLVED, that the officers of the Company be and hereby are authorized and directed to use the proceeds of the New Securities in any one or a combination of the following manners: (i) in connection with the payment at maturity or the redemption, refunding, refinancing or purchase of the Company's outstanding long-term debt, including without limitation, the Company's first mortgage bonds; and (ii) for general corporate purposes, including without limitation, the repayment of short-term debt incurred to finance construction expenditures and other working capital needs; and further

RESOLVED, that, if it is determined by the officers of the Company to be in the best interests of the Company, such officers be and hereby are authorized and directed, in their discretion, to replace portions of the Company's debt deemed appropriate, all in accordance with the terms of any applicable covenants, and to do or cause to be done all such acts and things as they, with the advice of counsel, may deem necessary or advisable in order to carry into effect the purposes and intent of this resolution, including the deposit of the funds necessary for such replacement(s) and providing for requisite notifications; and further

RESOLVED, that the officers of this Company be and hereby are authorized and directed to make, with the assistance of counsel and at such time or times as they may deem advisable, applications, registration statements, or other required filings to the Public Service Commission of Missouri and the Illinois Commerce Commission, for approval of the issue and sale by this Company of up to \$750 million principal amount of New Securities heretofore authorized at this meeting, and for such other approvals as may be required in connection therewith; and that such officers be and

hereby are authorized to execute, acknowledge and deliver all such instruments and to do all such other acts and things as they may deem necessary or desirable in connection therewith; and further

RESOLVED, that the officers of this Company be and hereby are authorized and directed to proceed, with the assistance of counsel and at such time or times as they may deem advisable, with the preparation of any registration statement and prospectus required under the Securities Act of 1933 for the issue and sale of up to \$750 million principal amount of New Securities of the Company; that the proper officers and directors of this Company be and hereby are authorized to execute any such registration statement and such amendments thereto as they may deem necessary or desirable; that the name of any officer or director of the Company, authorized or required to sign any such registration statement or any amendment thereto, may be signed by C. W. Mueller and/or Gary L. Rainwater and/or Warner L. Baxter and/or Steven R. Sullivan, and/or the duly appointed substitute thereof, pursuant to duly executed powers of attorney providing said named persons with, among other things, full power of substitution and revocation; that the officers of this Company be and hereby are authorized to file any such registration statement and prospectus and amendments thereto with the Securities and Exchange Commission when executed by or on behalf of the proper executive officers and the directors of the Company; and that Warner L. Baxter and Steven R. Sullivan be and hereby are designated as the persons authorized to receive notices and communications from the Securities and Exchange Commission with respect to any such registration statement; and further

RESOLVED, that the officers of this Company be and hereby are authorized to file, in their discretion and with the assistance of counsel, any application to the New York Stock Exchange, Inc., that may be required for listing the New Securities and any agreements required by the Exchange in connection with any such listing; and that C. W. Mueller, Gary L. Rainwater, Warner L. Baxter and Steven R. Sullivan, or any of them, be and hereby is designated by the Company to appear before said Exchange, with authority to make, with the assistance of counsel, such changes in any such application, or in any agreements relative thereto, as may be necessary to conform with the requirements for listing; and further

RESOLVED, that the officers of this Company be and hereby are authorized to file, in their discretion and with the assistance of counsel, with the Securities and Exchange Commission under the Securities Exchange Act of 1934, any application that may be required for registration on the New York Stock Exchange, Inc. of the New Securities; and that Warner L. Baxter and Steven R. Sullivan be and hereby are designated as the persons authorized to receive notices and communications from the Securities and Exchange Commission in connection with any such application; and further

RESOLVED, that it is desirable and in the best interest of this Company that its securities be qualified or registered for sale in various states; that the Chairman or the President or any Senior Vice President or 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 this Company as said officers may deem advisable; that said officers are hereby authorized to perform on behalf of this 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 or 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 this Company and the approval and ratification by this Company of the papers and documents so executed and the action so taken; and further

RESOLVED, that the officers of the Company be and hereby are authorized to negotiate with such parties as they deem appropriate and to prepare any necessary documents or instruments required in connection with the issue and sale of the New Securities; and further

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

I hereby certify that the foregoing is a true and correct copy of resolutions adopted at the meeting of the Board of Directors of Union Electric Company, held on Tuesday, April 23, 2002 at the General Office Building of the Company, St. Louis, Missouri, and that such resolutions are still in full force and effect.

/s/ Ronald K. Evans

Assistant Secretary

**CERTIFIED COPY OF RESOLUTIONS ADOPTED AT THE
MEETING OF THE BOARD OF DIRECTORS OF
UNION ELECTRIC COMPANY
HELD ON THURSDAY, AUGUST 15, 2002**

WHEREAS, by resolutions previously adopted on April 23, 2002 (the "Prior Resolutions"), the Board of Directors gave approval to the issuance and sale by the Company in one or more series and in any combination, up to an aggregate of \$750 million of new securities in the form of senior secured debt securities, first mortgage bonds, senior unsecured debt securities, subordinated debt securities, trust preferred securities and related guarantees, and evidences of indebtedness to support the issuance and sale of bonds or notes by the State Environmental Improvement and Energy Resources Authority-Missouri (collectively, the "New Securities") in amounts to be determined, and with terms and provisions as shall be later determined by the officers of the Company subject to approval or ratification by the Board; and

WHEREAS, pursuant to the Prior Resolutions, the Company proposes to issue and sell New Securities in the form of \$173,000,000 principal amount of senior notes to be secured by an underlying issue of the Company's First Mortgage Bonds with substantially similar terms (the "Senior Secured Notes"); and

WHEREAS, in accordance with the terms of the Prior Resolutions certain further approvals of the Board are required prior to the issuance and sale of such Senior Secured Notes; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Company, in accordance with the Prior Resolutions, as follows:

1. The Company is authorized to issue and sell \$173,000,000 of Senior Secured Notes for the purposes of (i) redeeming prior to maturity its \$125 million principal amount of 8.75% First Mortgage Bonds due December 1, 2021, (ii) redeeming its \$41,437,500 Series \$1.735 Preferred Stock at par, and (iii) paying associated redemption premium and a portion of the costs of the issuance of the Senior Secured Notes.
2. The Company shall issue and sell \$173,000,000 of Senior Secured Notes designated "5.25% Senior Secured Notes due 2012". The Senior Secured Notes will be issued under and pursuant to an Indenture dated as of August 15, 2002 (as amended and supplemented, including by a Company Order establishing the terms of the Senior Secured Notes, the "Note Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"). The Senior Secured Notes shall have a price to the public of 99.883% of their principal amount and shall bear an interest rate of 5.25% per annum payable semi-annually on March 1 and September 1 of each year, beginning March 1, 2003. Interest on the Senior Secured Notes will accrue from the date of original issuance. The Company may redeem all or part of the Senior Secured Notes at anytime at the greater of (a) their principal amount and (b) the

discounted present value of the remaining scheduled payments of principal and interest plus accrued and unpaid interest as more specifically set forth therein. The Senior Secured Notes shall have a 10 year maturity. The Senior Secured Notes shall have such other terms as are set forth in the Note Indenture. The Senior Secured Notes shall be executed by the Company, and authenticated and delivered by the Trustee, pursuant to the terms and conditions set forth in the Note Indenture. The issuance and sale by the Company of the Senior Secured Notes, pursuant to the terms hereof and the Note Indenture, and the Underwriting Agreement and the Pricing Agreement referred to below is hereby authorized and approved. The form of the Senior Secured Notes and Trustee's Certificate to be endorsed on the Senior Secured Notes under the Note Indenture shall be in the form thereof as set forth in the Note Indenture, which form is approved.

3. As security for the Senior Secured Notes, the Company shall issue to the Trustee a series of its First Mortgage Bonds to be designated "First Mortgage Bonds, Senior Notes Series AA" (the "Senior Notes Series AA Bonds") in the same aggregate principal amount and having the same stated interest rate, maturity and redemption provisions as the Senior Secured Notes to which they relate pursuant to the provisions of the Mortgage Indenture and the New Supplemental Indenture referred to below. The Senior Notes Series AA Bonds will be issued under and pursuant to the Company's Indenture of Mortgage and Deed of Trust, dated June 15, 1937, executed by the Company to The Bank of New York, as successor Trustee (the "Mortgage Trustee"), as heretofore amended and supplemented by various supplemental indentures (the "Mortgage Indenture"), and as to be further amended and supplemented by a supplemental indenture dated August 15, 2002 (the "New Supplemental Indenture"). Upon the retirement of all first mortgage bonds of the Company outstanding under the Mortgage Indenture (other than the Senior Notes Series AA Bonds or other first mortgage bonds of the Company issued as security for senior notes issued under the Note Indenture), the Senior Secured Notes will cease to be secured by the Senior Notes Series AA Bonds, will become unsecured and unsubordinated obligations of the Company and will rank on a parity with other unsecured and unsubordinated indebtedness of the Company unless otherwise secured pursuant to the terms of the Senior Secured Notes and the Note Indenture.

4. The Chairman and Chief Executive Officer or the President or any Vice President or the Treasurer of the Company is hereby authorized and directed to execute, deliver and perform, or cause to be executed, delivered or performed, on behalf of the Company, an Underwriting Agreement, to be dated the date of execution thereof, between the Company and Banc of America Securities LLC and Credit Suisse First Boston Corporation, as representatives of the several underwriters named therein, and a Pricing Agreement, to be dated the date of execution

thereof, between the Company and Banc of America Securities LLC and Credit Suisse First Boston Corporation, as representatives of the several underwriters named therein (the "Underwriters"), providing for the sale by the Company, and the several purchases by the Underwriters from the Company, of the Senior Secured Notes. The Senior Secured Notes shall be sold to the Underwriters at 99.233% of the principal amount of the Senior Secured Notes, which will reflect an underwriting commission to the Underwriters of \$1,124,500 (or 0.65% of the principal amount of the Senior Secured Notes) and proceeds to the Company of \$171,673,090 (before expenses). The Underwriting Agreement and the Pricing Agreement each is to be in the form submitted to this meeting, with such changes or insertions therein or modifications thereof as the officer of the Company executing the same may approve, such approval to be conclusively evidenced by his or her execution thereof.

5. The Company shall issue and sell the Senior Secured Notes as secured by the Senior Notes Series AA Bonds as stated above and in accordance with the terms of the Underwriting Agreement and the Pricing Agreement.

6. The form of the Prospectus Supplement (including the accompanying prospectus dated August 15, 2002), a copy of which was presented to this meeting, reflecting the final terms of the Senior Secured Notes as stated herein is hereby approved and authorized to be filed with the Securities and Exchange Commission.

7. The Company shall execute and deliver the Note Indenture and any other related orders, certificates or other documents required pursuant to the terms thereof for the purpose of setting forth the form and substance and the terms, provisions and characteristics of the Senior Secured Notes. The Note Indenture shall be in the form of, and shall contain the terms and provisions set forth in, the draft of said document presented at this meeting, which form is hereby approved, but with changes and insertions, if any, in said document as the officers of the Company executing said document may approve, such approval of said officers to be conclusively evidenced by their execution of said document on behalf of the Company; and the Chairman and Chief Executive Officer or the President or any Vice President and the Secretary (or any Assistant Secretary) of the Company are authorized and directed to execute and deliver, or cause to be executed and delivered, and attest, respectively, any orders, certificates or other documents required pursuant to the terms of the Note Indenture on behalf of the Company, and The Bank of New York, as Trustee under the Note Indenture, is authorized and requested, to the extent required, to join with the Company in the execution of said documents.

8. The Company shall execute and deliver the New Supplemental Indenture to the Mortgage Indenture and any other related applications, certificates or other documents pursuant to the terms thereof for the purpose of (a) setting forth the form and substance and terms, provisions and characteristics of the Senior Notes Series AA Bonds and (b) amending or modifying certain of the terms and provisions of the Mortgage Indenture to the extent set forth in the New Supplemental Indenture. The New Supplemental Indenture shall be in the form of and shall contain the terms and provisions set forth in, the draft of said document presented at this meeting, which form is hereby approved, but with changes and insertions, if any, in said document as the officers of the Company executing said document may approve, such approval of said officers to be conclusively evidenced by their execution of said document on behalf of the Company; and the Chairman and Chief Executive Officer or the President or any Vice President and the Secretary (or any Assistant Secretary) of the Company are authorized and directed to execute and deliver, or cause to be executed and delivered, and attest, respectively, the New Supplemental Indenture and any other related applications, certificates or other documents pursuant to the terms thereof on behalf of the Company and The Bank of New York, as successor Mortgage Trustee, under the Mortgage Indenture, are authorized and requested to join with the Company in the execution of said document.

9. As described in paragraph 3 above, one series of bonds (to wit: the Senior Notes Series AA Bonds) to be issued by the Company pursuant to the terms of, and to be secured by, the Mortgage Indenture and the New Supplemental Indenture and which shall be executed, authenticated and issued only in the form of registered bonds without coupons, registered in the name of the Trustee as security for the Senior Secured Notes are hereby created, authorized and approved. The Mortgage Trustee's Certificate to be endorsed on the Senior Notes Series AA Bonds under the Mortgage Indenture shall be in the form thereof set forth in the New Supplemental Indenture, which form is approved.

10. The Senior Notes Series AA Bonds shall be authenticated pursuant to the provisions of Sections 3 and 6 of Article III of the Mortgage Indenture.

11. The Senior Notes Series AA Bonds shall be executed and issued on behalf of the Company, and authenticated by the Trustee or its agents under the Mortgage Indenture, in the form of registered bonds without coupons in the denomination of \$1,000 each or any multiple thereof, registered in the name of the Trustee as security for the Senior Secured Notes and sealed with the corporate seal of the Company, in the manner provided in or permitted by Article II of the Mortgage Indenture and as provided in Article I of the New Supplemental Indenture, and the provisions of said Article I of the New Supplemental Indenture

with respect to the execution of said bonds by the manual or facsimile signature of C. W. Mueller as Chairman and Chief Executive Officer, or G. L. Rainwater as President, or W. L. Baxter as Senior Vice President, or J. E. Birdsong as Vice President and Treasurer and S. R. Sullivan as Secretary, or G. L. Waters or R. K. Evans as Assistant Secretary, and the placing of the corporate seal of the Company on said bonds are adopted and are incorporated in and made a part of this resolution with the same force and effect as if set forth at length herein.

12. The specimen copy of a registered bond without coupons of Senior Notes Series AA Bonds presented at this meeting, which is in the form of such bond set forth in the New Supplemental Indenture, is approved and shall be filed with the minutes of this meeting; and to the extent executed with facsimile signatures said facsimile signatures of G. L. Rainwater, as President, and S. R. Sullivan, as Secretary, of the Company, which are imprinted or reproduced on the Senior Notes Series AA Bonds as shown by said specimen copy, are approved and adopted by the Company.

13. C. W. Mueller as Chairman and Chief Executive Officer, or G. L. Rainwater as President, or W. L. Baxter as Senior Vice President, or J. E. Birdsong as Vice President and Treasurer and S. R. Sullivan as Secretary or G. L. Waters and R. K. Evans as Assistant Secretary of the Company are authorized and directed to execute the Senior Notes Series AA Bonds on behalf of the Company and such officers of the Company, or any of them, are authorized and empowered to deliver the Senior Notes Series AA Bonds for authentication to The Bank of New York, as Mortgage Trustee or its agent under the Mortgage Indenture.

14. The Bank of New York, as Trustee under the Mortgage Indenture, is authorized and requested (a) to authenticate the Senior Notes Series AA Bonds pursuant to the provisions of Sections 3 and 6 of Article III of the Mortgage Indenture as provided above, in registered form without coupons in the name of the Trustee as security for the Senior Secured Notes, and (b) to deliver the Senior Notes Series AA Bonds to the Trustee under the Note Indenture, against receipt therefor, when duly authenticated by it as such Mortgage Trustee, to or upon the written order of the President or any Vice President of the Company.

15. S. R. Sullivan, Vice President, General Counsel and Secretary of the Company, and J. C. Thompson are each selected and appointed by the Company as counsel and expert, respectively, to give or furnish such opinions and expert's certificates, in each case as may be required by the terms of the Mortgage Indenture and the Note Indenture, in connection with the authentication by the Mortgage Trustee under the Mortgage Indenture and the issuance by the Company of the Senior Notes Series AA Bonds and the authentication by the Trustee under the Note Indenture and the issuance and sale by the Company of the Senior

Secured Notes; and said counsel is further requested to give or furnish such legal opinions with respect to the Senior Secured Notes and the Senior Notes Series AA Bonds as may be required by the terms of the Note Indenture, the Mortgage Indenture and the Underwriting Agreement referred to above or as may be appropriate in the circumstances.

16. The officers of the Company are authorized and directed to take or cause to be taken all such actions as are necessary to effect an early redemption of the outstanding principal amount of the First Mortgage Bonds, 8.75% Series due 2021 and the outstanding shares of Series \$1.735 Preferred Stock; all in accordance with the terms of the applicable indentures, the Company's Restated Articles of Incorporation and the applicable Certificate of Designation, Description and Terms of Preferred Stock filed with the Secretary of State of the State of Missouri, and to do or cause to be done all such acts and things as they, with the advice of counsel, may deem necessary or advisable in order to carry into effect the purposes and intent of this resolution, including the deposit with the trustee for such bonds of the funds necessary for such redemption and providing for requisite notifications.

17. The officers of the Company are authorized and directed to do or cause to be done all such other acts and things as they may deem necessary or advisable in order to carry into effect the purposes and intent of the resolutions adopted in connection with the issuance and sale of the Senior Secured Notes of the Company as to be secured by the Senior Notes Series AA Bonds authorized at this meeting including executing a Letter of Representations relating to the Senior Secured Notes with the Trustee and The Depository Trust Company.

I hereby certify that the foregoing is a true and correct copy of resolutions adopted at the meeting of the Board of Directors of Union Electric Company, held on Thursday, August 15, 2002 at the General Office Building of the Company, St. Louis, Missouri, and that such resolutions are still in full force and effect.

/s/ Ronald K. Evans

Assistant Secretary

August 22, 2002

The Bank of New York
101 Barclay Street
Floor 21W
New York, NY 10286

UNION ELECTRIC COMPANY
\$173,000,000 5.25% Senior Notes due 2012

Ladies and Gentlemen:

I am Vice President, General Counsel and Secretary of Union Electric Company, a Missouri corporation (the "Company"), and have acted as counsel to the Company in connection with the Indenture dated as of August 15, 2002 (the "Indenture") between you and the Company, pursuant to which the Company has engaged you to act as trustee with respect to \$173,000,000 aggregate principal amount of its 5.25% Senior Notes due 2012 (the "Notes") on the terms and subject to the conditions set forth in the Indenture. I address this opinion to you pursuant to Sections 2.05(c)(2) and 15.05(a) of the Indenture. Capitalized terms not defined herein have the meanings specified in the Indenture.

In rendering the opinions expressed below, I have read the covenants and conditions and the definitions relating thereto as set forth in the Indenture with respect to the execution and delivery by the Company of the Notes. I have examined originals, copies of originals certified to my satisfaction, of such agreements, documents, certificates and any other statements of governmental officials and corporate officers and such other papers and evidence as I have deemed relevant and necessary as a basis for such opinions. I have assumed the authenticity of all documents submitted to me and the conformity with the original documents of any copies thereof submitted to me for my examination. I have also relied upon the representations and warranties as to factual matters contained in and made pursuant to the Indenture. The scope and nature of such examination and investigation is sufficient to enable me to express an informed opinion as set forth below.

Pursuant to the requirements of Section 2.05(c)(2) and 15.05(a) of the Indenture, I am of the opinion that:

1. The form of the Notes has been duly authorized and established by or pursuant to a Board Resolution or a Company Order pursuant to a Board Resolution in conformity with the provisions of the Indenture.

2. The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights and the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions of the Indenture may be limited by state laws affecting the remedies for the enforcement of the security provided for in the Indenture.

3. The Company's First Mortgage Bonds designated "First Mortgage Bonds, Senior Notes Series AA" (the "Senior Note First Mortgage Bonds") being delivered to the Trustee in connection with the issuance of the Notes have been duly authorized, executed and delivered, and such Senior Note First Mortgage Bonds are valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights and the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions of the First Mortgage may be limited by state laws affecting remedies for the enforcement of the security provided for in the First Mortgage; and such Senior Note First Mortgage Bonds are entitled to the benefit of the First Mortgage, equally and ratably, with all First Mortgage Bonds outstanding thereunder, except as to sinking fund provisions.

4. The Indenture and the First Mortgage are qualified to the extent necessary under the TIA.

5. The Notes have been duly authorized and executed by the Company and, when authenticated by you and issued by the Company in accordance with the provisions of the Indenture and delivered to and duly paid for by the purchasers thereof, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws of general application relating to or affecting the enforcement of creditors' rights and the application of general principles of equity (regardless of whether such application is made in a proceeding at law or in equity) and by an implied covenant of good faith and fair dealing and except as enforcement of provisions of the Indenture may be limited by state laws affecting remedies for the enforcement of the security provided for in the Indenture.

6. The issuance of the Notes and the delivery by the Company of the Senior Note First Mortgage Bonds in connection therewith will not result in any default under the Indenture or the First Mortgage.

7. All consents or approvals of the Missouri Public Service Commission (or any successor agency), the Illinois Commerce Commission (or any successor agency) and of any other federal or state regulatory agency required in connection with the Company's execution and delivery of the Indenture, the Notes and the Senior Note First Mortgage Bonds have been obtained and are in full force and effect (except that no opinion is expressed as to state securities laws).

8. The First Mortgage and all financing statements have been duly filed and recorded in all places where such filing or recording is necessary for the perfection or preservation of the lien of the First Mortgage, and the First Mortgage constitutes a valid and perfected first lien upon the property purported to be covered thereby, subject only to "permitted liens" and certain "judgment liens" (each as defined in the First Mortgage) and to liens upon the property, if any, specifically identified in the supplemental indenture related to a Related Series of Senior Note First Mortgage Bonds prior to its recordation.

9. All conditions that must be met by the Company to issue the Notes under the Indenture have been met.

As required by Section 15.05 of the Indenture, I further advise you as follows:

(a) I have read the Indenture including without limitation the conditions precedent provided for therein relating to the authentication and delivery of the Notes and the definitions in the Indenture relating thereto;

(b) I have conferred with officers of the Company and have made such examination as to fact and law as I deemed relevant for purposes of this opinion; however, insofar as this opinion relates to factual matters, it is based upon certificates of officers of the Company which are being delivered to you herewith and representations by such officers, and I take no responsibility for the accuracy or completeness of the statements made in such certificates or representations;

(c) In my opinion, I have made such examination or investigation as is necessary to enable me to express an informed opinion as to whether or not such conditions precedent have been complied with; and

(d) I am of the opinion that the conditions precedent provided for in the Indenture relating to the authentication and delivery of the Notes as requested in the Company Order have been complied with.

I am a member of the Bar of the State of Missouri and, for purposes of this opinion, do not hold myself out as an expert on the laws of any jurisdiction other than the State of Missouri, and to the extent set forth in the next sentence, the State of Illinois and the United States of

America. I regularly practice before the Illinois Commerce Commission and, therefore, am qualified to render the opinion set forth in paragraph (7) above as an expert on the laws of the State of Illinois for such purpose. I have, with your consent, relied upon an opinion of even date herewith addressed to you of Pillsbury Winthrop LLP, as to all matters in this opinion involving the application of the laws of the State of New York.

My opinion is addressed to you and is rendered solely for your benefit. Accordingly, it may not be quoted, filed with any governmental authority or other regulatory agency or otherwise circulated without my prior written consent.

Very truly yours,

/s/ Steven R. Sullivan

EXPERT'S CERTIFICATE

I, James C. Thompson, a former Secretary of Union Electric Company, a Missouri corporation (the "Company"), in connection with the Indenture dated as of August 15, 2002 (the "Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"), and the issuance and sale by the company of \$173,000,000 aggregate principal amount of 5.25% Senior Secured Notes due 2012 (the "Senior Notes") pursuant to the Indenture, DO HEREBY CERTIFY to the Trustee pursuant to Sections 2.05(c)(3), 4.06(a) and 15.05 of the Indenture that (capitalized terms used herein without definition herein having the meaning set forth in the Indenture):

1. I am familiar with the provisions of the Indenture and the Company's Senior Note Mortgage Bonds designated "First Mortgage Bonds, Senior Notes Series AA" (the "Series AA Senior Note Mortgage Bonds") delivered by the Company to the Trustee pursuant to Section 4.09 of the Indenture.
2. The principal amount of the Series AA Senior Note Mortgage Bonds is \$173,000,000, the stated interest rate of the Series AA Senior Note Mortgage Bonds is 5.25% and the stated maturity date of the Series AA Senior Note Mortgage Bonds is September 1, 2012.
3. The Series AA Senior Note Mortgage Bonds correspond to the Senior Notes that are being issued contemporaneously herewith.
4. The fair value to the Company of the Series AA Senior Note Mortgage Bonds is \$173,000,000.

I have read the terms of the Indenture and the First Mortgage and have examined the provisions of other documents that I have deemed necessary in order to make the statements herein. I am informed of matters relevant to the statements and opinions contained in this certificate through personal knowledge or examination of records of the Company or reports or information furnished by officers or employees of the Company or its affiliates having knowledge of the relevant facts. The statements and opinions contained in this certificate are based on such knowledge, examination and investigation.

In my opinion, I have made such examination or investigation as is necessary to enable me to express an informed opinion regarding the fair value of the Company of the Series AA Senior Note Mortgage Bonds, and this Certificate complies with Sections 4.06 and 15.05 of the Indenture.

/s/ James C. Thompson

James C. Thompson

Dated: August 22, 2002

**OFFICERS' CERTIFICATE OF
UNION ELECTRIC COMPANY**

Pursuant to Section 2.05(c)(4) of the Indenture dated as of August 15, 2002, between Union Electric Company (the "Company") and The Bank of New York (the "Trustee") (the "Indenture," the terms defined therein being used herein as therein defined), the undersigned, being the Vice President and Treasurer and the President and Chief Operating Officer, respectively, of the Company, do hereby certify that:

1. The Company is not, and upon authentication and delivery of \$173,000,000 aggregate principal amount of the Company's 5.25% Senior Notes due 2012 (the "Notes") by the Trustee, will not be in default under any of the terms or covenants contained in the Indenture;
2. All conditions that must be met by the Company to issue the Notes under the Indenture have been met; and
3. The Company's First Mortgage Bonds designated "First Mortgage Bonds, Senior Notes Series AA" being delivered to the Trustee on the date hereof meet the requirements of Section 4.10 of the Indenture.

In accordance with Section 15.05 of the Indenture, the undersigned further hereby certify that:

1. In the opinion of the undersigned, all conditions precedent, if any, provided for in the Indenture (including any covenants compliance with which constitutes a condition precedent) relating to the authentication and delivery of the Notes have been complied with;
2. Each of the undersigned has read the covenants and conditions and the related definitions in the Indenture;
3. The statement contained in clause (1) above is based upon a reading and an examination of the relevant provisions of the Indenture and certain other information of the Company; and
4. In the opinion of each of the undersigned, the examination described in clause (3) above is sufficient to enable them to express an informed opinion as to the subject matter of clause (1) above.

Executed this 22nd day of August, 2002.

/s/ Gary L. Rainwater

Name: Gary L. Rainwater
Title: President and Chief Operating Officer

/s/ Warner L. Baxter

Name: Warner L. Baxter
Title: Senior Vice President

REGISTERED REGISTERED

ILL. C. C. No. 6226

THIS NOTE IS A GLOBAL NOTE REGISTERED IN THE NAME OF THE DEPOSITARY (REFERRED TO HEREIN) OR A NOMINEE THEREOF AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE FOR THE INDIVIDUAL NOTES REPRESENTED HEREBY AS PROVIDED IN THE INDENTURE REFERRED TO BELOW, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

**UNION ELECTRIC COMPANY
5.25% SENIOR SECURED NOTE DUE 2012**

CUSIP:

NUMBER: 1

ORIGINAL ISSUE DATE: August 22, 2002

PRINCIPAL AMOUNT: \$173,000,000

INTEREST RATE: 5.25%

MATURITY DATE: September 1, 2012

UNION ELECTRIC COMPANY, a corporation of the State of Missouri (the "COMPANY"), for value received hereby promises to pay to CEDE & CO. or registered assigns, the principal sum of ONE HUNDRED SEVENTY THREE MILLION DOLLARS (\$173,000,000) on the Maturity Date set forth above, and to pay interest thereon from August 22, 2002 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually in arrears on the March 1 and September 1 in each year, commencing March 1, 2003, at the per annum Interest Rate set forth above, until the principal hereof is paid or made available for payment. No interest shall accrue on the Maturity Date, so long as the principal amount of this Note is paid on the Maturity Date. The interest so payable and punctually paid or duly provided for on any such Interest Payment Date (except for interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration) will, as provided in the Indenture (as defined below), be paid to the Person in whose name this Note is registered at the close of business on the Regular Record Date for such interest, which shall be the February 15 or August 15, as the case may be, next preceding such Interest Payment Date; provided that the first Interest Payment Date for any part of this Note, the Original Issue

Date of which is after a Regular Record Date but prior to the applicable Interest Payment Date, shall be the Interest Payment Date following the next succeeding Regular Record Date; and provided that interest payable on the Maturity Date set forth above or, if applicable, upon redemption or acceleration, shall be payable to the Person to whom principal shall be payable. Except as otherwise provided in the Indenture, any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and shall be paid to the Person in whose name this Note is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Noteholders not more than fifteen days or fewer than ten days prior to such Special Record Date. Payment of the principal of and interest and premium on this Note shall be payable pursuant to Section 2.12 (a) of the Indenture.

This Note is a Global Note in respect of a duly authorized issue of 5.25% Senior Secured Notes due 2012 (the "NOTES OF THIS SERIES", which term includes any Global Notes representing such Notes) of the Company issued and to be issued under an Indenture dated as of August 15, 2002, between the Company and The Bank of New York, as trustee (the "TRUSTEE", which term includes any successor Trustee under the Indenture) and indentures supplemental thereto (collectively, the "INDENTURE"). Under the Indenture, one or more series of notes may be issued and, as used herein, the term "Notes" refers to the Notes of this Series and any other outstanding series of Notes. Reference is hereby made to the Indenture for a more complete statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Noteholders and of the terms upon which the Notes are and are to be authenticated and delivered. This Note has been issued in respect of the series designated on the first page hereof in the aggregate principal amount of \$173,000,000.

Prior to the Release Date (as hereinafter defined), the Notes will be secured by first mortgage bonds (the "SENIOR NOTE FIRST MORTGAGE BONDS") delivered by the Company to the Trustee for the benefit of the Holders of the Notes, issued under the Indenture of Mortgage or Deed of Trust, dated June 15, 1937, from the Company to The Bank of New York, as successor trustee (the "MORTGAGE TRUSTEE"), as supplemented and modified (collectively, the "FIRST MORTGAGE"). Reference is made to the First Mortgage and the Indenture for a description of the rights of the Trustee as holder of the Senior Note First Mortgage Bonds, the property mortgaged and pledged, the nature and extent of the security and the rights of the holders of first mortgage bonds, under the First Mortgage and the rights of the Company and of the Mortgage Trustee in respect thereof, the duties and immunities of the Mortgage Trustee and the terms and conditions upon which the Senior Note First Mortgage Bonds are secured and the circumstances under which additional first mortgage bonds may be issued.

From and after such time as all first mortgage bonds (other than Senior Note First Mortgage Bonds) issued under the First Mortgage have been retired through payment, redemption or otherwise at, before or after the maturity thereof (the "Release Date"), the Senior Note First Mortgage Bonds shall cease to secure the Notes in any manner. In certain circumstances prior to the Release Date as provided in the Indenture, the Company is permitted to reduce the aggregate principal amount of a series of Senior Note First Mortgage Bonds held by the Trustee, but in no event prior to the Release Date to an amount less than the aggregate

outstanding principal amount of the series of Notes initially issued contemporaneously with such Senior Note First Mortgage Bonds.

Each Note of this Series shall be dated and issued as of the date of its authentication by the Trustee and shall bear an Original Issue Date. Each Note issued upon transfer, exchange or substitution of such Note shall bear the Original Issue Date of such transferred, exchanged or substituted Note, as the case may be.

All or a portion of the Notes of this Series may be redeemed at the option of the Company at any time or from time to time. The redemption price for the Notes of this Series to be redeemed on any redemption date will be equal to the greater of: (a) 100% of the principal amount of the Notes of this Series being redeemed on the redemption date; or (b) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes of this Series being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus 20 basis points, as determined by the Reference Treasury Dealer (as defined below); plus, in each case, accrued and unpaid interest thereon to the redemption date. Notwithstanding the foregoing, installments of interest on Notes of this Series that are due and payable on Interest Payment Dates falling on or prior to a redemption date will be payable on the Interest Payment Date to the Holder of this Note as of the close of business on the relevant Regular Record Date. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Company shall mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each Holder of the Notes of this Series to be redeemed. Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes of this Series or portions thereof called for redemption.

"ADJUSTED TREASURY RATE" means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"COMPARABLE TREASURY ISSUE" means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the Notes of this Series to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes of this Series.

"COMPARABLE TREASURY PRICE" means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Trustee obtains fewer than three such Reference Treasury Dealer Quotations, the average of all such quotations, or (C) if only one Reference Treasury Dealer Quotation is received, such quotation.

"REFERENCE TREASURY DEALER" means (A) Banc of America Securities LLC or Credit Suisse First Boston Corporation (or their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company shall substitute therefor another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by the Trustee after consultation with the Company.

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

Interest payments for this Note shall be computed and paid on the basis of a 360-day year of twelve 30-day months (and for any partial periods shall be calculated on the basis of the number of days elapsed in a 360-day year of twelve 30-day months). If any Interest Payment Date or date on which the principal of this Note is required to be paid is not a Business Day, then payment of principal, premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or date on which the principal of this Note is required to be paid and, in the case of timely payment thereof, no interest shall accrue for the period from and after such Interest Payment Date or the date on which the principal of this Note is required to be paid.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the Notes (except for certain obligations including obligations to register the transfer or exchange of Notes, replace stolen, lost or mutilated Notes, maintain paying agencies and hold monies for payment in trust, all as set forth in the Indenture) if the Company deposits with the Trustee money, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide money, or a combination of money and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the Notes on the dates such payments are due in accordance with the terms of the Notes.

If an Event of Default shall occur and be continuing, the principal of and interest on the Notes may be declared due and payable in the manner and with the effect provided in the Indenture and, upon such declaration, the Trustee shall demand the redemption of the Senior Note First Mortgage Bonds to the extent provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the Noteholders under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the outstanding Notes. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer

hereof or in exchange therefor or in lieu thereof whether or not notation of such consent or waiver is made upon this Note.

As set forth in and subject to the provisions of the Indenture, no Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such Notes, the Holders of not less than a majority in principal amount of the outstanding Notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; provided that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of and any premium or interest on this Note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Note at the times, places and rates and the coin or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this Note may be transferred only as permitted by the legend hereto and the provisions of the Indenture.

The Indenture and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflicts of law principles thereof.

Unless the certificate of authentication hereon has been executed by the Trustee, directly or through an Authenticating Agent by manual signature of an authorized officer, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture unless otherwise indicated herein.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

UNION ELECTRIC COMPANY

By: /s/ Warner L. Baxter

Title: Senior Vice President

Attest: /s/ G. L. Waters

Title: Assistant Secretary

**TRUSTEE'S CERTIFICATE
OF AUTHENTICATION**

Dated: August 22, 2002

This Note is one of the Notes of the series herein designated, described or provided for in the within- mentioned Indenture.

The Bank of New York, AS TRUSTEE

By: /s/ Albert Lundy

AUTHORIZED SIGNATORY
As Agent for The Bank of New York

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT

MIN ACT - _____ Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by the entireties

Under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

State

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

Please print or typewrite name and address including postal zip code of assignee

the within note and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said note on the books of the Company, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatever.

Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program("MSP").

No. 1 \$173,000,000

ILL. C. C. No. 6226

NOTWITHSTANDING ANY PROVISIONS HEREOF OR IN THE ORIGINAL INDENTURE THIS BOND IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT AS PERMITTED OR REQUIRED BY SECTION 4.04 OF THE INDENTURE DATED AS OF AUGUST 15, 2002, BETWEEN UNION ELECTRIC COMPANY AND THE BANK OF NEW YORK, AS TRUSTEE.

UNION ELECTRIC COMPANY
(Incorporated under the laws of the State of Missouri)

First Mortgage Bonds, Senior Notes Series AA

UNION ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Missouri (hereinafter called the "Company", which term shall include any successor corporation as defined in the Amended Indenture referred to on the reverse hereof), for value received, hereby promises to pay to The Bank of New York, as trustee under the Senior Note Indenture hereinafter referred to, or registered assigns, the sum of ONE HUNDRED SEVENTY THREE MILLION Dollars, on the 1st day of September, 2012 in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon, in like coin or currency, at the rate of FIVE AND ONE QUARTER per centum (5.25%) per annum, payable semi-annually, on March 1 and September 1 in each year until maturity, commencing March 1, 2003, and at maturity or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Amended Indenture referred to on the reverse hereof. Such interest shall be payable from the March 1 or September 1, as the case may be, next preceding the date hereof to which interest has not been paid, unless the date hereof is a March 1 or September 1 to which interest has been paid, in which case from the date hereof, or unless the date hereof is prior to the first payment of interest, in which case from August 22, 2002. The interest so payable will be paid to the person in whose name this Bond, or the Bond in exchange or substitution for which this Bond shall have been issued, shall have been registered at the close of business on the February 15 or August 15, as the case may be, next preceding the date of payment, subject to certain exceptions set forth in the Amended Indenture. The principal of, and interest and premium, if any, on, this Bond are payable, in immediately available funds, at the office of the Senior Note Trustee hereinafter referred to.

Under an Indenture dated as of August 15, 2002 (the "Senior Note Indenture") between the Company and The Bank of New York, as trustee (the "Senior Note Trustee"), the Company will issue, concurrently with the issuance of this Bond, an issue of notes under the Senior Note Indenture entitled "5.25% Senior Secured Notes due 2012" (the "Senior Notes"). Pursuant to Article IV of the Senior Note Indenture, this Bond is issued to the Senior Note Trustee to secure any and all obligations of the Company under the Senior Notes and any other series of senior notes from time to time outstanding under the Senior Note Indenture. Payment of principal of, or

premium, if any, or interest on, the Senior Notes shall constitute payments on this Bond as further provided herein and in the Supplemental Indenture dated August 15, 2002 pursuant to which this Bond has been issued (the "Supplemental Indenture").

Upon any payment of the principal of, premium, if any, and interest on, all or any portion of the Senior Notes, whether at maturity or prior to maturity by redemption or otherwise or upon provision for the payment thereof having been made in accordance with Section 5.01(a) of the Senior Note Indenture, a principal amount of this Bond equal to the principal amount of such Senior Notes and having both a corresponding maturity date and interest rate shall, to the extent of such payment of principal, premium, if any, and interest, be deemed paid and the obligation of the Company thereunder to make such payment shall be discharged to such extent and, in the case of the payment of principal (and premium, if any), such bonds shall be surrendered to the Company for cancellation as provided in Section 4.08 of the Senior Note Indenture. The Trustee (as hereinafter defined) may at anytime and all times conclusively assume that the obligation of the Company to make payments with respect to the principal of and premium, if any, and interest on, the Senior Notes, so far as such payments at the time have become due, has been fully satisfied and discharged pursuant to the foregoing sentence unless and until the Trustee shall have received a written notice from the Senior Note Trustee signed by one of its officers stating (i) that timely payment of principal, or premium or interest on, the Senior Notes has not been made, (ii) that the Company is in arrears as to the payments required to be made by it to the Senior Note Trustee pursuant to the Senior Note Indenture, and (iii) the amount of the arrearage.

For purposes of Section 4.09 of the Senior Note Indenture, this Bond shall be deemed to be the "Related Series of Senior Note First Mortgage Bonds" in respect of the Senior Notes.

This Bond shall not be entitled to any benefit under the Amended Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until The Bank of New York, the Trustee under the Amended Indenture, or a successor trustee thereto under the Amended Indenture, or an agent therefor, shall have signed the form of certificate endorsed hereon.

The provisions of this Bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, Union Electric Company has caused this Bond to be signed in its name by its Chairman of the Board or President or a Vice President by manual signature or a facsimile thereof, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary by manual signature or a facsimile thereof.

Dated,

UNION ELECTRIC COMPANY,

By /s/ Warner L. Baxter

Senior Vice President

[CORPORATE SEAL]

Attest:

/s/ G. L. Waters

Assistant Secretary

This Bond is one of the Bonds, of the series designated therein, described in the within-mentioned Amended Indenture and Supplemental Indenture of August 15, 2002.

**THE BANK OF NEW YORK,
as TRUSTEE**

By /s/ Albert Lundy

Authorized Officer
As Agent for The Bank of New York

[REVERSE OF BOND]

This Bond is one of a duly authorized issue of Bonds of the Company (herein called the "Bonds"), in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by the indenture of mortgage and deed of trust, dated June 15, 1937, executed by the Company to The Bank of New York (successor trustee to Bank of America, National Association, formerly Boatmen's Trust Company), as trustee (herein called the "Trustee"), as amended by indentures supplemental thereto dated May 1, 1941, April 1, 1971, February 1, 1974, July 7, 1980 and February 1, 2000, between the Company and the Trustee (said mortgage and deed of trust, as so amended, being herein called the "Amended Indenture"), to which Amended Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. To the extent permitted by, and as provided in, the Amended Indenture, modifications or alterations of the Amended Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds may be made with the consent of the Company by an affirmative vote of not less than 60% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Amended Indenture, and by an affirmative vote of not less than 60% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Amended Indenture are so affected. Additionally, the Company may amend the Amended Indenture, as supplemented, by an appropriate written consent of not less than 60% in aggregate principal amount of the Bonds outstanding without a meeting of such Bondholders. No such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium on, this Bond, which are unconditional. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Amended Indenture provided. This Bond is one of a series designated as the "First Mortgage Bonds, Senior Notes Series AA" (herein called the "Bonds of this Series") of the Company, issued under and secured by the Amended Indenture and described in the indenture (hereinafter called the "New Supplemental Indenture") dated August 15, 2002, between the Company and the Trustee, supplemental to the Amended Indenture.

The Bonds of this Series are not entitled to the benefit of any improvement, maintenance or analogous fund.

This Bond is not redeemable except on the date, in the principal amount and for the redemption price that correspond to the redemption dates for, the principal amount to be redeemed of, and the redemption price for, the Senior Notes, and except upon written demand of the Senior Note Trustee following the occurrence of an event of default under the Senior Note Indenture and the acceleration of the Senior Notes, as provided in Section 8.01 of the Senior Note Indenture.

In case an event of default, as defined in the Amended Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Amended Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the

effect provided in the Amended Indenture. The Amended Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond shall not be assignable or transferable except as permitted or required by Section 4.04 of the Senior Note Indenture. This Bond is exchangeable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at the office of the Company in the City of St. Louis, Missouri, upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new Bond or Bonds of the same series, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange herefor, without payment of any charge other than stamp taxes and other governmental charges incident thereto; and this Bond with or without others of like series, may in like manner be exchanged for one or more new Bonds of the same series of other authorized denominations but of the same aggregate principal amount; all subject to the terms and conditions set forth in the Amended Indenture.

As provided in Section 4.11 of the Senior Note Indenture, from and after the Release Date (as defined in the Senior Note Indenture), the obligations of the Company with respect to this Bond shall be deemed to be satisfied and discharged, this Bond shall cease to secure in any manner any Senior Notes outstanding under the Senior Note Indenture, and, pursuant to Section 4.08 of the Senior Note Indenture, the Senior Note Trustee shall forthwith deliver this Bond to the Company for cancellation.

No recourse shall be had for the payment of the principal of, premium, if any, on or the interest on, this Bond, or for any claim based hereon or on the Amended Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether for amounts unpaid on stock subscriptions or by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Amended Indenture.

EXHIBIT 4.3

**WHEN RECORDED
MAIL TO:**

Gerald L. Waters
Union Electric Company
1901 Chouteau Avenue
St. Louis, MO 61303

Executed in 50 Counterparts, No. 28.

SUPPLEMENTAL INDENTURE

DATED AUGUST 15, 2002

UNION ELECTRIC COMPANY

TO

**THE BANK OF NEW YORK,
AS TRUSTEE**

(SUPPLEMENTAL TO THE INDENTURE OF MORTGAGE AND DEED OF TRUST DATED JUNE 15, 1937, AS AMENDED,
EXECUTED BY UNION ELECTRIC COMPANY TO THE BANK OF NEW YORK, AS TRUSTEE)

First Mortgage Bonds, Senior Notes Series AA

This instrument was prepared by Steven R. Sullivan, Vice President, General Counsel and Secretary of Union Electric Company, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

SUPPLEMENTAL INDENTURE, dated the 15th day of August, Two thousand and two (2002) made by and between UNION ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Missouri (hereinafter called the "Company"), party of the first part, and The Bank of New York (successor trustee to Bank of America, National Association, formerly Boatmen's Trust Company), a bank existing under the laws of the State of New York (hereinafter called the "Trustee"), as Trustee under the Indenture of Mortgage and Deed of Trust dated June 15, 1937, hereinafter mentioned, party of the second part:

WHEREAS, the Company has heretofore executed and delivered to the Trustee its Indenture of Mortgage and Deed of Trust, dated June 15, 1937, as amended May 1, 1941, April 1, 1971, February 1, 1974, July 7, 1980 and February 1, 2000 (said Indenture of Mortgage and Deed of Trust as so amended, being hereinafter referred to as the "Original Indenture"), to secure the payment of the principal of and the interest (and premium, if any) on all bonds at any time issued and outstanding thereunder, and indentures supplemental thereto dated June 15, 1937, May 1, 1941, March 17, 1942, April 13, 1945, April 27, 1945, October 1, 1945, April 11, 1947, April 13, 1949, September 13, 1950, December 1, 1950, September 20, 1951, May 1, 1952, March 1, 1954, May 1, 1955, August 31, 1955, April 1, 1956, July 1, 1956, August 1, 1957, February 1, 1958, March 1, 1958, November 5, 1958, March 16, 1959, June 24, 1959, December 11, 1959, August 17, 1960, September 1, 1960, October 24, 1960, June 30, 1961, July 1, 1961, August 9, 1962, September 30, 1963, November 1, 1963, March 12, 1965, April 1, 1965, April 14, 1966, May 1, 1966, February 17, 1967, March 1, 1967, February 19, 1968, March 15, 1968, August 21, 1968, April 7, 1969, May 1, 1969, September 12, 1969, October 1, 1969, March 26, 1970, April 1, 1970, June 12, 1970, January 1, 1971, April 1, 1971, September 15, 1971, December 3, 1973, February 1, 1974, April 25, 1974, February 3, 1975, March 1, 1975, June 11, 1975, May 12, 1976, August 16, 1976, April 26, 1977, October 15, 1977, November 7, 1977, December 1, 1977, August 1, 1978, October 12, 1979, November 1, 1979, July 7, 1980, August 1, 1980, August 20, 1980, February 1, 1981, October 8, 1981, August 27, 1982, September 1, 1982, December 15, 1982, March 1, 1983, June 21, 1984, December 12, 1984, June 11, 1985, March 1, 1986, May 1, 1986, May 1, 1990, December 1, 1991, December 4, 1991, January 1, 1992, September 30, 1992, October 1, 1992, December 1, 1992, February 1, 1993, February 18, 1993, May 1, 1993, August 1, 1993, October 1, 1993, January 1, 1994, and February 1, 2000, respectively, have heretofore been entered into between the Company and the Trustee; and

WHEREAS, Bonds have heretofore been issued by the Company under the Original Indenture as follows:

(1) \$80,000,000 principal amount of First Mortgage and Collateral Trust Bonds, 3 3/4% Series due 1962, all of which have been redeemed prior to the date of the execution hereof;

(2) \$90,000,000 principal amount of First Mortgage and Collateral Trust Bonds, 3 3/8% Series due 1971, which are described in the Supplemental Indenture dated May 1, 1941 (hereinafter called the "Supplemental Indenture of May 1, 1941"), all of which have been paid at maturity prior to the date of the execution hereof;

(3) \$13,000,000 principal amount of First Mortgage and Collateral Trust Bonds, 2 3/4% Series due 1975 (herein called the "Bonds of 1975 Series"), which are described in the Supplemental Indenture dated October 1, 1945 (hereinafter called the

"Supplemental Indenture of October 1, 1945"), all of which have been paid at maturity prior to the date of the execution hereof;

(4) \$25,000,000 principal amount of First Mortgage and Collateral Trust Bonds, 2 7/8% Series due 1980 (herein called the "Bonds of 1980 Series"), which are described in the Supplemental Indenture dated December 1, 1950 (hereinafter called the "Supplemental Indenture of December 1, 1950"), all of which have been paid at maturity prior to the date of the execution hereof;

(5) \$30,000,000 principal amount of First Mortgage and Collateral Trust Bonds, 3 1/4% Series due 1982 (herein called the "Bonds of 1982 Series"), which are described in the Supplemental Indenture dated May 1, 1952 (hereinafter called the "Supplemental Indenture of May 1, 1952"), all of which have been paid at maturity prior to the date of the execution hereof;

(6) \$40,000,000 principal amount of First Mortgage Bonds, 3 3/4% Series due 1986 (herein called the "Bonds of 1986 Series"), which are described in the Supplemental Indenture dated July 1, 1956 (hereinafter called the "Supplemental Indenture of July 1, 1956"), all of which have been paid at maturity prior to the date of the execution hereof;

(7) \$35,000,000 principal amount of First Mortgage Bonds, 4 3/8% Series due 1988 (herein called the "Bonds of 1988 Series"), which are described in the Supplemental Indenture dated March 1, 1958 (hereinafter called the "Supplemental Indenture of March 1, 1958"), all of which have been paid at maturity prior to the date of the execution hereof;

(8) \$50,000,000 principal amount of First Mortgage Bonds, 4 3/4% Series due 1990 (herein called the "Bonds of 1990 Series"), which are described in the Supplemental Indenture dated September 1, 1960 (hereinafter called the "Supplemental Indenture of September 1, 1960"), all of which have been paid at maturity prior to the date of the execution hereof;

(9) \$30,000,000 principal amount of First Mortgage Bonds, 4 3/4% Series due 1991 (herein called the "Bonds of 1991 Series"), which are described in the Supplemental Indenture dated July 1, 1961 (hereinafter called the "Supplemental Indenture of July 1, 1961"), all of which have been paid at maturity prior to the date of the execution hereof;

(10) \$30,000,000 principal amount of First Mortgage Bonds, 4 1/2% Series due 1993 (herein called the "Bonds of 1993 Series"), which are described in the Supplemental Indenture dated November 1, 1963 (hereinafter called the "Supplemental Indenture of November 1, 1963"), all of which have been redeemed prior to the date of the execution hereof;

(11) \$35,000,000 principal amount of First Mortgage Bonds, 4 1/2% Series due 1995 (herein called the "Bonds of 1995 Series"), which are described in the Supplemental Indenture dated April 1, 1965 (hereinafter called the "Supplemental Indenture of April 1, 1965"), all of which have been paid at maturity prior to the date of the execution hereof;

(12) \$30,000,000 principal amount of First Mortgage Bonds, 5 1/2% Series due 1996 (herein called the "Bonds of 1996 Series"), which are described in the Supplemental

Indenture dated May 1, 1966 (hereinafter called the "Supplemental Indenture of May 1, 1966"), all of which have been paid at maturity prior to the date of the execution hereof;

(13) \$40,000,000 principal amount of First Mortgage Bonds, 5 1/2% Series due 1997 (herein called the "Bonds of 1997 Series"), which are described in the Supplemental Indenture dated March 1, 1967 (hereinafter called the "Supplemental Indenture of March 1, 1967"), all of which have been paid at maturity prior to the date of the execution hereof;

(14) \$50,000,000 principal amount of First Mortgage Bonds, 7% Series due 1998 (herein called the "Bonds of 1998 Series"), which are described in the Supplemental Indenture dated March 15, 1968 (hereinafter called the "Supplemental Indenture of March 15, 1968"), all of which have been redeemed prior to the date of the execution hereof;

(15) \$35,000,000 principal amount of First Mortgage Bonds, 7 3/8% Series due 1999 (herein called the "Bonds of May 1999 Series"), which are described in the Supplemental Indenture dated May 1, 1969 (hereinafter called the "Supplemental Indenture of May 1, 1969"), all of which have been redeemed prior to the date of the execution hereof;

(16) \$40,000,000 principal amount of First Mortgage Bonds, 8 1/4% Series due 1999 (herein called the "Bonds of October 1999 Series"), which are described in the Supplemental Indenture dated October 1, 1969 (hereinafter called the "Supplemental Indenture of October 1, 1969"), all of which have been redeemed prior to the date of the execution hereof;

(17) \$100,000,000 principal amount of First Mortgage Bonds, 9.95% Series due 1999 (herein called the "Bonds of November 1999 Series"), which are described in the Supplemental Indenture dated November 1, 1979 (hereinafter called the "Supplemental Indenture of November 1, 1979"), all of which have been redeemed prior to the date of the execution hereof;

(18) \$60,000,000 principal amount of First Mortgage Bonds, 9% Series due 2000 (herein called the "Bonds of 2000 Series"), which are described in the Supplemental Indenture dated April 1, 1970 (hereinafter called the "Supplemental Indenture of April 1, 1970"), all of which have been redeemed prior to the date of the execution hereof;

(19) \$50,000,000 principal amount of First Mortgage Bonds, 7 7/8% Series due 2001 (herein called the "Bonds of January 2001 Series"), which are described in the Supplemental Indenture dated January 1, 1971 (hereinafter called the "Supplemental Indenture of January 1, 1971"), all of which have been redeemed prior to the date of the execution hereof;

(20) \$50,000,000 principal amount of First Mortgage Bonds, 7 5/8% Series due 2001 (herein called the "Bonds of April 2001 Series"), which are described in the Supplemental Indenture dated April 1, 1971 (hereinafter called the "Supplemental Indenture of April 1, 1971"), all of which have been redeemed prior to the date of the execution hereof;

(21) \$60,000,000 principal amount of First Mortgage Bonds, 8 1/8% Series due 2001 (herein called the "Bonds of October 2001 Series"), which are described in the Supplemental Indenture dated September 15, 1971 (hereinafter called the "Supplemental Indenture of September 15, 1971"), all of which have been redeemed prior to the date of the execution hereof;

(22) \$70,000,000 principal amount of First Mortgage Bonds, 8 3/8% Series due 2004 (herein called the "Bonds of 2004 Series"), which are described in the Supplemental Indenture dated February 1, 1974 (hereinafter called the "Supplemental Indenture of February 1, 1974"), all of which have been redeemed prior to the date of the execution hereof;

(23) \$70,000,000 principal amount of First Mortgage Bonds, 10 1/2% Series due 2005 (herein called the "Bonds of 2005 Series"), which are described in the Supplemental Indenture dated March 1, 1975 (hereinafter called the "Supplemental Indenture of March 1, 1975"), all of which have been redeemed prior to the date of the execution hereof;

(24) \$70,000,000 principal amount of First Mortgage Bonds, 8 7/8% Series due 2006 (herein called the "Bonds of 2006 Series"), which are described in the Supplemental Indenture dated August 16, 1976 (hereinafter called the "Supplemental Indenture of August 16, 1976"), all of which have been redeemed prior to the date of the execution hereof;

(25) \$27,085,000 principal amount of First Mortgage Bonds, 5.80% Environmental Improvement Series 1977, which are described in the Supplemental Indenture dated October 15, 1977 (hereinafter called the "Supplemental Indenture of October 15, 1977"), all of which have been redeemed prior to the date of the execution hereof;

(26) \$60,000,000 principal amount of First Mortgage Bonds, 8 5/8% Series due 2007 (herein called the "Bonds of 2007 Series"), which are described in the Supplemental Indenture dated December 1, 1977 (hereinafter called the "Supplemental Indenture of December 1, 1977"), all of which have been redeemed prior to the date of the execution hereof;

(27) \$55,000,000 principal amount of First Mortgage Bonds, 9.35% Series due 2008 (herein called the "Bonds of 2008 Series"), which are described in the Supplemental Indenture dated August 1, 1978 (hereinafter called the "Supplemental Indenture of August 1, 1978"), all of which have been redeemed prior to the date of the execution hereof;

(28) \$60,000,000 principal amount of First Mortgage Bonds, Environmental Improvement Series 1980, which are described in the Supplemental Indenture dated August 1, 1980 (hereinafter called the "Supplemental Indenture of August 1, 1980"), all of which have been redeemed prior to the date of the execution hereof;

(29) \$150,000,000 principal amount of First Mortgage Bonds, 15 3/8% Series due 1991 (herein called the "Bonds of February 1991 Series"), which are described in the Supplemental Indenture dated February 1, 1981 (hereinafter called the "Supplemental

Indenture of February 1, 1981"), all of which have been redeemed prior to the date of the execution hereof;

(30) \$125,000,000 principal amount of First Mortgage Bonds, 15% Series due 1992 (herein called the "Bonds of 1992 Series"), which are described in the Supplemental Indenture dated September 1, 1982 (hereinafter called the "Supplemental Indenture of September 1, 1982"), all of which have been redeemed prior to the date of the execution hereof;

(31) \$100,000,000 principal amount of First Mortgage Bonds, 13% Series due 2013 (herein called the "Bonds of 2013 Series"), which are described in the Supplemental Indenture dated March 1, 1983 (hereinafter called the "Supplemental Indenture of March 1, 1983"), all of which have been redeemed prior to the date of the execution hereof;

(32) \$100,000,000 principal amount of First Mortgage Bonds, 9 3/8% Series due 2016 (herein called the "Bonds of 2016 Series"), which are described in the Supplemental Indenture dated March 1, 1986 (hereinafter called the "Supplemental Indenture of March 1, 1986"), all of which have been redeemed prior to the date of the execution hereof;

(33) \$100,000,000 principal amount of First Mortgage Bonds, 8 7/8% Series due 1996 (herein called the "Bonds of 1996 Series"), which are described in the Supplemental Indenture dated May 1, 1986 (hereinafter called the "Supplemental Indenture of May 1, 1986"), all of which have been redeemed prior to the date of the execution hereof;

(34) \$60,000,000 principal amount of First Mortgage Bonds, Environmental Improvement Series 1990A, which are described in the Supplemental Indenture dated May 1, 1990 (hereinafter called the "Supplemental Indenture of May 1, 1990"), all of which have been redeemed prior to the date of the execution hereof;

(35) \$125,000,000 principal amount of First Mortgage Bonds, 8 3/4% Series due 2021 (herein called the "Bonds of 2021 Series"), which are described in the Supplemental Indenture dated December 1, 1991 (hereinafter called the "Supplemental Indenture of December 1, 1991"), all of which are outstanding at the date of the execution hereof;

(36) \$75,000,000 principal amount of First Mortgage Bonds, 8.33% Series due 2002 (herein called the "Bonds of 2002 Series"), which are described in the Supplemental Indenture dated December 4, 1991 (hereinafter called the "Supplemental Indenture of December 4, 1991"), all of which are outstanding at the date of the execution hereof;

(37) \$100,000,000 principal amount of First Mortgage Bonds, 7.65% Series due 2003 (herein called the "Bonds of 2003 Series"), which are described in the Supplemental Indenture dated January 1, 1992 (hereinafter called the "Supplemental Indenture of January 1, 1992"), all of which are outstanding at the date of the execution hereof;

(38) \$204,000,000 aggregate principal amount of First Mortgage Bonds, consisting of \$100,000,000 principal amount of 6 3/4% Series due 1999 and

\$104,000,000 principal amount of 8 1/4% Series due 2022 (herein called the "Bonds of 1999 Series" and "Bonds of 2022 Series", respectively), which are described in the Supplemental Indenture dated October 1, 1992 (hereinafter called the "Supplemental Indenture of October 1, 1992"), of which the Bonds of 1999 Series have been paid at maturity prior to the date of execution hereof and the Bonds of 2022 Series are outstanding at the date of the execution hereof;

(39) \$170,000,000 aggregate principal amount of First Mortgage Bonds, consisting of \$85,000,000 principal amount of 7 3/8% Series due 2004 and \$85,000,000 principal amount of 8% Series due 2022 (herein called the "Bonds of December 2004 Series" and "Bonds of December 2022 Series", respectively), which are described in the Supplemental Indenture dated December 1, 1992, (hereinafter called the "Supplemental Indenture of December 1, 1992), all of which are outstanding at the date of the execution hereof;

(40) \$188,000,000 principal amount of First Mortgage Bonds, 6 7/8% Series due 2004 (herein called the "Bonds of August 2004 Series"), which are described in the Supplemental Indenture dated February 1, 1993 (hereinafter called the "Supplemental Indenture of February 1, 1993"), all of which are outstanding at the date of the execution hereof;

(41) \$148,000,000 principal amount of First Mortgage Bonds, 6 3/4% Series due 2008 (herein called the "Bonds of May 2008 Series"), which are described in the Supplemental Indenture dated May 1, 1993 (hereinafter called the "Supplemental Indenture of May 1, 1993"), all of which are outstanding at the date of the execution hereof;

(42) \$75,000,000 principal amount of First Mortgage Bonds, 7.15% Series due 2023 (herein called the "Bonds of 2023 Series"), which are described in the Supplemental Indenture dated August 1, 1993 (hereinafter called the "Supplemental Indenture of August 1, 1993"), all of which are outstanding at the date of the execution hereof;

(43) \$44,000,000 principal amount of First Mortgage Bonds, Environmental Improvement Series 1993 (herein called the "Bonds of 2028 Series"), which are described in the Supplemental Indenture dated October 1, 1993 (hereinafter called the "Supplemental Indenture of October 1, 1993"), all of which are outstanding at the date of the execution hereof; and

(44) \$100,000,000 principal amount of First Mortgage Bonds, 7% Series due 2024 (herein called the "Bonds of 2024 Series"), which are described in the Supplemental Indenture dated January 1, 1994 (hereinafter called the "Supplemental Indenture of January 1, 1994"), all of which are outstanding at the date of the execution hereof;

and

WHEREAS, the Company on August 31, 1955 acquired all of the properties of Union Electric Power Company, the Subsidiary as defined in Article I of the Original Indenture, upon the dissolution of the Subsidiary; the Company, by Supplemental Indenture dated August 31, 1955, conveyed all of the properties so acquired (other than property of the character defined as excepted property in the granting clauses of the Original Indenture) to the Trustee upon the terms

and trusts in the Original Indenture and the indentures supplemental thereto set forth for the equal and proportionate benefit and security of all present and future holders of the Bonds and coupons issued and to be issued thereunder, all the shares of stock of the Subsidiary were released from the lien of the Original Indenture; and the Company became entitled to change the general designation of the Bonds so as to omit the words "and Collateral Trust"; and

WHEREAS, the Articles of Incorporation of the Company were duly amended on April 23, 1956, to change its corporate name from "Union Electric Company of Missouri" to "Union Electric Company"; and

WHEREAS, the Articles of Agreement of the Trustee were duly amended effective on January 4, 1982 to change its corporate name from "St. Louis Union Trust Company" to "Centerre Trust Company of St. Louis", and further amended on December 9, 1988, to change its corporate name from "Centerre Trust Company of St. Louis" to "Boatmen's Trust Company"; and

WHEREAS, that on March 13, 1998, Boatmen's Trust Company merged into NationsBank, National Association and effective July 5, 1999, changed its name to Bank of America, National Association; and

WHEREAS, that on February 1, 2000, The Bank of New York, as transferee of the corporate trust business of Bank of America, National Association (formerly known as Boatmen's Trust Company), Trustee under the Original Indenture, became successor Trustee under the Original Indenture; and

WHEREAS, the Company is entitled at this time to have authenticated and delivered additional Bonds on the basis of "refundable bonds" upon compliance with and pursuant to the provisions of Section 6 of Article III of the Original Indenture; and

WHEREAS, the Company has entered into an Indenture dated as of August 15, 2002 (the "Senior Note Indenture") with The Bank of New York, as trustee (the "Senior Note Trustee") providing for the issuance from time to time of senior notes thereunder; and

WHEREAS, the Company desires by this Supplemental Indenture to provide for the creation of, and the issuance to the Senior Note Trustee of, a new series of Bonds under the Original Indenture as security for \$173,000,000 aggregate principal amount of the Company's 5.25% Senior Secured Notes due 2012 (the "Senior Notes") to be issued under the Senior Note Indenture, to have the designation provided in Article I, Section 1 hereof (herein called the "New Bonds"), and the Original Indenture provides that certain terms and provisions, as determined by the Board of Directors of the Company, of the Bonds of any particular series may be expressed in and provided by the execution of an appropriate supplemental indenture; and

WHEREAS, the Company also desires by this Supplemental Indenture to amend the provisions of Article XV of the Original Indenture to establish new procedures concerning amendments thereof, as set forth in Article VI hereof; and

WHEREAS, the Original Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Original Indenture specifically to convey, transfer and assign to the Trustee and to subject to the lien of the Original Indenture additional properties acquired by the Company; and

WHEREAS, the Company, in the exercise of the powers and authority conferred upon and reserved to it under the provisions of the Original Indenture and pursuant to appropriate resolutions of the Board of Directors, has duly resolved and determined to make, execute and deliver to the Trustee a Supplemental Indenture in the form hereof for the purposes herein provided; and

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument have been done, performed and fulfilled and the execution and delivery hereof have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, in consideration of the premises and of the mutual covenants herein contained and of the acceptance of this trust by the Trustee and of the sum of One Dollar duly paid by the Trustee to the Company at or before the time of the execution of this Supplemental Indenture, and of other valuable considerations, the receipt whereof is hereby acknowledged, and in order further to secure the payment of the principal of and interest (and premium, if any) on all Bonds at any time issued and outstanding under the Original Indenture, according to their tenor and effect, and to secure the Senior Notes, the Company has executed and delivered this Supplemental Indenture and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto The Bank of New York, as Trustee, and to its successors in trust under the Original Indenture forever, all and singular the following described properties (in addition to all other properties heretofore subjected to the lien of the Original Indenture and not heretofore released from the lien thereof) - that is to say:

FIRST.

ALL power houses, plants, buildings and other structures, dams, dam sites, substations, heating plants, gas works, holders and tanks, together with all and singular the electric, heating, gas and mechanical appliances appurtenant thereto of every nature whatsoever, now owned by the Company, including all and singular the machinery, engines, boilers, furnaces, generators, dynamos, turbines and motors, and all and every character of mechanical appliance for generating or producing electricity, steam, gas and other agencies for light, heat, cold, or power or other purposes, and all transmission and distribution systems used for the transmission and distribution of electricity, steam, gas and other agencies for light, heat, cold or power or any other purpose whatsoever, whether underground or overhead, surface or otherwise, now owned by the Company, including all poles, towers, posts, wires, cables, conduits, manholes, mains, pipes, tubes, drains, furnaces, switchboards, transformers, conductors, insulators, supports, meters, lamps, fuses, junction boxes, regulator stations, and other electric, steam and gas fixtures and apparatus; all of the aforementioned property being located in the City of St. Louis, the counties of Adair, Audrain, Benton, Bollinger, Boone, Butler, Caldwell, Callaway, Camden, Cape Girardeau, Clark, Clay, Clinton, Cole, Cooper, Crawford, Daviess, Dunklin, Franklin, Gasconade, Howard, Iron, Jefferson, Knox, Lewis, Lincoln, Livingston, Macon, Madison, Maries, Marion, Miller, Mississippi, Moniteau, Montgomery, Morgan, New Madrid, Osage, Pemiscot, Perry, Pettis, Phelps, Pike, Pulaski, Ralls, Randolph, Ray, Reynolds, Ripley, St. Charles, St. Francois, Ste. Genevieve, St. Louis, Saline, Schuyler, Scott, Stoddard, Warren, Washington, and Wayne, Missouri, the counties of Adams, Alexander, Calhoun, Franklin, Hancock, Henderson, Jackson, Jersey, Macoupin, Madison, Massac, Monroe, Perry, Pike, Pulaski, St. Clair, Union, and Washington, Illinois, and the counties of Des Moines, Henry, Johnson, Lee, and Washington, Iowa, upon real estate owned by the Company, or occupied by it under rights to so occupy, which real estate is described in the Indenture of Mortgage and Deed of Trust dated June 15, 1937, in the Supplemental Indentures dated May 1, 1941, March 17, 1942, April 13, 1945, April 27, 1945, October 1, 1945, April 11, 1947, April 13, 1949, September 13, 1950, December 1, 1950, September 20, 1951, May 1, 1952, March 1, 1954, May 1, 1955, August 31, 1955, April 1, 1956, July 1, 1956, August 1, 1957, February 1, 1958, March 1, 1958, November 5, 1958, March 16, 1959, June 24, 1959, December 11, 1959, August 17, 1960, September 1, 1960, October 24, 1960, June 30, 1961, July 1, 1961, August 9, 1962, September 30, 1963, November 1, 1963, March 12, 1965, April 1, 1965, April 14, 1966, May 1, 1966, February 17, 1967, March 1, 1967, February 19, 1968, March 15, 1968, August 21, 1968, April 7, 1969, May 1, 1969, September 12, 1969, October 1, 1969, March 26, 1970, April 1, 1970, June 12, 1970, January 1, 1971, April 1, 1971, September 15, 1971, December 3, 1973, February 1, 1974, April 25, 1974, February 3, 1975, March 1, 1975, June 11, 1975, May 12, 1976, August 16, 1976, April 26, 1977, October 15, 1977, November 7, 1977, December 1, 1977, August 1, 1978, October 12, 1979, November 1, 1979, July 7, 1980, August 1, 1980, August 20, 1980, February 1, 1981, October 8, 1981, August 27, 1982, September 1, 1982, December 15, 1982, March 1, 1983, June 21, 1984, December 12, 1984, June 11, 1985, March 1, 1986, May 1, 1986, May 1, 1990, December 1, 1991, December 4, 1991, January 1, 1992, September 30, 1992, October 1, 1992, December 1, 1992, February 1, 1993, February 18, 1993, May 1, 1993, August 1, 1993, October 1, 1993, January 1, 1994, February 1, 2000 and in this Supplemental Indenture, or attached to or connected with such real estate or transmission or distribution systems of the Company leading from or into such real estate.

SECOND.

ALSO, (except as in the Original Indenture expressly excepted) all franchises and all permits, ordinances, easements, privileges, immunities and licenses, all rights to construct, maintain and operate overhead, surface and underground systems for the distribution and transmission of electricity, steam, gas or other agencies for the supply to itself or others of light, heat, cold or power, all rights-of-way, all waters, water rights and flowage rights and all grants and consents, now owned or, subject to the provisions of Article XII of the Original Indenture, which it may hereafter acquire.

ALSO, (except as in the Original Indenture expressly excepted) all inventions, patent rights and licenses of every kind now owned by the Company or, subject to the provisions of Article XII of the Original Indenture, which it may hereafter acquire.

THIRD.

ALSO, subject to the provisions of Article XII of the Original Indenture, all other property, real, personal and mixed (except as therein or herein expressly excepted) of every nature and kind and wheresoever situated now or hereafter possessed by or belonging to the Company, or to which it is now, or may at any time hereafter be, in any manner entitled at law or in equity.

TO HAVE AND TO HOLD all said properties, real, personal and mixed, mortgaged, pledged and conveyed by the Company as aforesaid, or intended so to be, unto the Trustee and its successors and assigns forever;

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, to existing leases, to existing liens upon rights of way for transmission or distribution line purposes, as defined in Article I of the Original Indenture, and any extensions thereof, and subject to existing easements for streets, alleys, highways, rights-of-way and railroad purposes over, upon and across certain of the property hereinbefore described, and subject also to all the terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments respectively under and by virtue of which the Company acquired the properties hereinabove described, and to undetermined liens and charges, if any, incidental to construction or other existing permitted liens as defined in Article I of the Original Indenture;

IN TRUST, NEVERTHELESS, upon the terms and trusts in the Original Indenture and the indentures supplemental thereto, including this Supplemental Indenture, set forth, for the equal and proportionate benefit and security of all present and future holders of the Bonds and coupons issued and to be issued thereunder, or any of them, without preference of any of said Bonds and coupons of any particular series over the Bonds and coupons of any other series, by reason of priority in the time of the issue, sale or negotiation thereof, or by reason of the purpose of issue or otherwise howsoever, except as otherwise provided in Section 2 of Article IV of the Original Indenture.

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED, by and between the parties hereto, for the benefit of those who shall hold the Bonds and coupons, or any of them to be issued under the Original Indenture, as follows:

ARTICLE I

DESCRIPTION OF THE NEW BONDS

Section 1. There is hereby created a new series of Bonds to be executed, authenticated and delivered under and secured by the Original Indenture which shall, subject to the provisions of Section 1 of Article II of the Original Indenture, be designated as "First Mortgage Bonds, Senior Notes Series AA" (the "New Bonds") of the Company. The New Bonds shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to all of the terms, conditions and covenants of, the Original Indenture and shall be issued to, and registered in the name of, the Senior Note Trustee under the Senior Note Indenture to secure any and all obligations of the Company under the Senior Notes and any other series of senior notes from time to time outstanding under the Senior Note Indenture.

The New Bonds shall mature on September 1, 2012, and shall bear interest at the rate per annum set forth in the form of the New Bond contained in Section 3 of this Article I, payable semi-annually on the 1st day of March and the 1st day of September in each year, commencing on March 1, 2003, and at maturity. The New Bonds shall be payable as to principal, premium, if any, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and shall be payable, in immediately available funds, at the office of the Senior Note Trustee.

Section 2. The New Bonds shall not be assignable or transferable except as permitted or required by Section 4.04 of the Senior Note Indenture. Any such transfer shall be effected at the principal office or place of business of the Trustee under the Original Indenture. The New Bonds are exchangeable for the New Bonds of other denominations, as in the Original Indenture provided, except that payment of a service charge therefor will not be required by the Company.

Notwithstanding the provisions of Section 6 of Article II of the Original Indenture, the New Bonds shall be dated the date of authentication and shall bear interest from the interest payment date to which interest on the New Bonds has been paid next preceding the date thereof, unless such date is an interest payment date to which interest has been paid, in which case they shall bear interest from the date thereof, or unless the date thereof is prior to March 1, 2003, in which case they shall bear interest from August 22, 2002; provided, however, that, subject to the provisions of this Section with respect to failure by the Company to pay any interest on an interest payment date, the holder of any New Bond dated after a record date (as hereinafter defined) for the payment of interest and prior to the date of payment of such interest shall not be entitled to payment of such interest and shall have no claim against the Company with respect thereto.

The person in whose name any New Bond is registered at the close of business on any record date with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to the record date and prior to such interest payment date, except if and to the extent the Company shall default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond is registered on the date of payment of such defaulted interest or on a subsequent record date for such payment if one shall have been established as hereinafter

provided. A subsequent record date may be established by the Company by notice mailed to the holders of the New Bonds not less than ten days preceding such record date, which record date shall be not more than thirty days prior to the subsequent interest payment date. The term "record date" as used in this Section with respect to any regular interest payment date shall mean the February 15 or August 15, as the case may be, next preceding such interest payment date, or, if such February 15 or August 15 shall be a legal holiday in the State of New York or in the State of Missouri or a day on which banking institutions in the Borough of Manhattan, The City of New York, or the City of St. Louis, Missouri, are authorized by law to close, the next preceding day which shall not be a legal holiday or a day on which such institutions are so authorized to close.

Upon any payment of the principal of, premium, if any, and interest on, all or any portion of the Senior Notes, whether at maturity or prior to maturity by redemption or otherwise or upon provision for the payment thereof having been made in accordance with Section 5.01(a) of the Senior Note Indenture, the New Bonds in a principal amount equal to the principal amount of such Senior Notes and having both a corresponding maturity date and interest rate shall, to the extent of such payment of principal, premium, if any, and interest, be deemed paid and the obligation of the Company thereunder to make such payment shall be discharged to such extent and, in the case of the payment of principal (and premium, if any), such New Bonds shall be surrendered to the Company for cancellation as provided in Section 4.08 of the Senior Note Indenture. The Trustee may at any time and all times conclusively assume that the obligation of the Company to make payments with respect to the principal of and premium, if any, and interest on the Senior Notes, so far as such payments at the time have become due, has been fully satisfied and discharged pursuant to the foregoing sentence unless and until the Trustee shall have received a written notice from the Senior Note Trustee signed by one of its officers stating (i) the timely payment of principal, or premium, if any, or interest on, the Senior Notes has not been made, (ii) that the Company is in arrears as to the payments required to be made by it to the Senior Note Trustee pursuant to the Senior Note Indenture, and (iii) the amount of the arrearage.

Section 3. The New Bonds and the Trustee's certificate on the New Bonds shall be substantially in the following forms respectively:

No. _____

III. C. C. No. 6226

\$ _____

NOTWITHSTANDING ANY PROVISIONS HEREOF OR IN THE ORIGINAL INDENTURE THIS BOND IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT AS PERMITTED OR REQUIRED BY SECTION 4.04 OF THE INDENTURE DATED AS OF AUGUST 15, 2002, BETWEEN UNION ELECTRIC COMPANY AND THE BANK OF NEW YORK, AS TRUSTEE.

UNION ELECTRIC COMPANY
(Incorporated under the laws of the State of Missouri)

First Mortgage Bonds, Senior Notes Series AA

UNION ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Missouri (hereinafter called the "Company", which term shall include any successor corporation as defined in the Amended Indenture referred to on the reverse hereof), for value received, hereby promises to pay to The Bank of New York, as trustee under the Senior Note Indenture hereinafter referred to, or registered assigns, the sum of _____ Dollars, on the 1st day of September, 2012 in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon, in like coin or currency, at the rate of FIVE AND ONE QUARTER per centum (5.25%) per annum, payable semi-annually, on March 1 and September 1 in each year until maturity, commencing March 1, 2003, and at maturity or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Amended Indenture referred to on the reverse hereof. Such interest shall be payable from the March 1 or September 1, as the case may be, next preceding the date hereof to which interest has not been paid, unless the date hereof is a March 1 or September 1 to which interest has been paid, in which case from the date hereof, or unless the date hereof is prior to the first payment of interest, in which case from August 22, 2002. The interest so payable will be paid to the person in whose name this Bond, or the Bond in exchange or substitution for which this Bond shall have been issued, shall have been registered at the close of business on the February 15 or August 15, as the case may be, next preceding the date of payment, subject to certain exceptions set forth in the Amended Indenture. The principal of, and interest and premium, if any, on, this Bond are payable, in immediately available funds, at the office of the Senior Note Trustee hereinafter referred to.

Under an Indenture dated as of August 15, 2002 (the "Senior Note Indenture") between the Company and The Bank of New York, as trustee (the "Senior Note Trustee"), the Company will issue, concurrently with the issuance of this Bond, an issue of notes under the Senior Note Indenture entitled "5.25% Senior Secured Notes due 2012" (the "Senior Notes"). Pursuant to Article IV of the Senior Note Indenture, this Bond is issued to the Senior Note Trustee to secure any and all obligations of the Company under the Senior Notes and any other series of senior notes from time to time outstanding under the Senior Note Indenture. Payment of principal of, or premium, if any, or interest on, the Senior Notes shall constitute payments on this Bond as

further provided herein and in the Supplemental Indenture dated August 15, 2002 pursuant to which this Bond has been issued (the "Supplemental Indenture").

Upon any payment of the principal of, premium, if any, and interest on, all or any portion of the Senior Notes, whether at maturity or prior to maturity by redemption or otherwise or upon provision for the payment thereof having been made in accordance with Section 5.01(a) of the Senior Note Indenture, a principal amount of this Bond equal to the principal amount of such Senior Notes and having both a corresponding maturity date and interest rate shall, to the extent of such payment of principal, premium, if any, and interest, be deemed paid and the obligation of the Company thereunder to make such payment shall be discharged to such extent and, in the case of the payment of principal (and premium, if any), such bonds shall be surrendered to the Company for cancellation as provided in Section 4.08 of the Senior Note Indenture. The Trustee (as hereinafter defined) may at anytime and all times conclusively assume that the obligation of the Company to make payments with respect to the principal of and premium, if any, and interest on, the Senior Notes, so far as such payments at the time have become due, has been fully satisfied and discharged pursuant to the foregoing sentence unless and until the Trustee shall have received a written notice from the Senior Note Trustee signed by one of its officers stating (i) that timely payment of principal, or premium or interest on, the Senior Notes has not been made, (ii) that the Company is in arrears as to the payments required to be made by it to the Senior Note Trustee pursuant to the Senior Note Indenture, and (iii) the amount of the arrearage.

For purposes of Section 4.09 of the Senior Note Indenture, this Bond shall be deemed to be the "Related Series of Senior Note First Mortgage Bonds" in respect of the Senior Notes.

This Bond shall not be entitled to any benefit under the Amended Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until The Bank of New York, the Trustee under the Amended Indenture, or a successor trustee thereto under the Amended Indenture, or an agent therefor, shall have signed the form of certificate endorsed hereon.

The provisions of this Bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, Union Electric Company has caused this Bond to be signed in its name by its Chairman of the Board or President or a Vice President by manual signature or a facsimile thereof, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary by manual signature or a facsimile thereof.

Dated,

UNION ELECTRIC COMPANY,

By
Vice President

[CORPORATE SEAL]

Attest:
Secretary

[FORM OF TRUSTEE'S CERTIFICATE]

This Bond is one of the Bonds, of the series designated therein, described in the within-mentioned Amended Indenture and Supplemental Indenture of August 15, 2002.

**THE BANK OF NEW YORK, as
TRUSTEE**

By
Authorized Officer

[FORM OF REVERSE OF NEW BOND]

This Bond is one of a duly authorized issue of Bonds of the Company (herein called the "Bonds"), in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by the indenture of mortgage and deed of trust, dated June 15, 1937, executed by the Company to The Bank of New York (successor trustee to Bank of America, National Association, formerly Boatmen's Trust Company), as trustee (herein called the "Trustee"), as amended by indentures supplemental thereto dated May 1, 1941, April 1, 1971, February 1, 1974, July 7, 1980 and February 1, 2000, between the Company and the Trustee (said mortgage and deed of trust, as so amended, being herein called the "Amended Indenture"), to which Amended Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. To the extent permitted by, and as provided in, the Amended Indenture, modifications or alterations of the Amended Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds may be made with the consent of the Company by an affirmative vote of not less than 60% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Amended Indenture, and by an affirmative vote of not less than 60% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Amended Indenture are so affected. Additionally, the Company may amend the Amended Indenture, as supplemented, by an appropriate written consent of not less than 60% in aggregate principal amount of the Bonds outstanding without a meeting of such Bondholders. No such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium on, this Bond, which are unconditional. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Amended Indenture provided. This Bond is one of a series designated as the "First Mortgage Bonds, Senior Notes Series AA" (herein called the "Bonds of this Series") of the Company, issued under and secured by the Amended Indenture and described in the indenture (hereinafter called the "New Supplemental Indenture") dated August 15, 2002, between the Company and the Trustee, supplemental to the Amended Indenture.

The Bonds of this Series are not entitled to the benefit of any improvement, maintenance or analogous fund.

This Bond is not redeemable except on the date, in the principal amount and for the redemption price that correspond to the redemption dates for, the principal amount to be redeemed of, and the redemption price for, the Senior Notes, and except upon written demand of the Senior Note Trustee following the occurrence of an event of default under the Senior Note Indenture and the acceleration of the Senior Notes, as provided in Section 8.01 of the Senior Note Indenture.

In case an event of default, as defined in the Amended Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Amended Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Amended Indenture. The Amended Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond shall not be assignable or transferable except as permitted or required by Section 4.04 of the Senior Note Indenture. This Bond is exchangeable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at the office of the Company in the City of St. Louis, Missouri, upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new Bond or Bonds of the same series, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange herefor, without payment of any charge other than stamp taxes and other governmental charges incident thereto; and this Bond with or without others of like series, may in like manner be exchanged for one or more new Bonds of the same series of other authorized denominations but of the same aggregate principal amount; all subject to the terms and conditions set forth in the Amended Indenture.

As provided in Section 4.11 of the Senior Note Indenture, from and after the Release Date (as defined in the Senior Note Indenture), the obligations of the Company with respect to this Bond shall be deemed to be satisfied and discharged, this Bond shall cease to secure in any manner any Senior Notes outstanding under the Senior Note Indenture, and, pursuant to Section 4.08 of the Senior Note Indenture, the Senior Note Trustee shall forthwith deliver this Bond to the Company for cancellation.

No recourse shall be had for the payment of the principal of, premium, if any, on or the interest on, this Bond, or for any claim based hereon or on the Amended Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether for amounts unpaid on stock subscriptions or by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Amended Indenture.

[END OF FORM OF REVERSE OF NEW BOND]

Section 4. Until New Bonds in definitive form are ready for delivery, the Company may execute, and upon its request in writing the Trustee shall authenticate and deliver, in lieu

thereof, New Bonds in temporary form, as provided in Section 9 of Article II of the Original Indenture.

ARTICLE II

ISSUE OF THE NEW BONDS

Section 1. The principal amount of the New Bonds which may be authenticated and delivered hereunder is limited to an amount equal to the principal amount of the Senior Notes issued under the Senior Note Indenture and secured thereby and are further subject to the limitations regarding the principal amount of Bonds which may be issued under the Original Indenture set forth therein.

Section 2. The New Bonds in the aggregate principal amount of One Hundred Seventy Three Million Dollars (\$173,000,000), being the initial issue of the New Bonds, may forthwith at any time or from time to time be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered (either before or after the filing or recording hereof) to or upon the order of the Company, upon compliance by the Company with the applicable provisions of Article III and Article XVIII of the Original Indenture.

Section 3. For purposes of Section 4.09 of the Senior Note Indenture, the New Bonds shall be deemed to be the "Related Series of Senior Notes First Mortgage Bonds" in respect of the Senior Notes.

Section 4. As provided in Section 4.11 of the Senior Note Indenture, from and after the Release Date (as defined in the Senior Note Indenture), the obligations of the Company with respect to the New Bonds shall be deemed to be satisfied and discharged, the New Bonds shall cease to secure in any manner any Notes outstanding under the Senior Note Indenture, and, pursuant to Section 4.08 of the Senior Note Indenture, the Senior Note Trustee shall forthwith deliver the New Bonds to the Company for cancellation.

ARTICLE III

REDEMPTION OF THE NEW BONDS

Section 1. The New Bonds are not redeemable except on the date, in the principal amount and for the redemption price that correspond to the redemption date for, the principal amount to be redeemed of, and the redemption price for, the Senior Notes, and except as set forth in Section 2 of this Article III.

In the event that the Company redeems any Senior Notes prior to maturity in accordance with the provisions of the Senior Note Indenture, the Senior Note Trustee shall on the same date deliver to the Company the New Bonds in principal amount corresponding to the Senior Notes so redeemed, as provided in Section 4.08 of the Senior Note Indenture. The Company agrees to give the Senior Note Trustee notice of any such redemption of the Senior Notes on or before the date fixed for any such redemption.

There shall be no improvement, maintenance or analogous fund for the New Bonds.

Section 2. Upon the occurrence of an Event of Default under the Senior Note Indenture and the acceleration of the Senior Notes, the New Bonds shall be redeemable in whole upon receipt by the Trustee of a written demand (hereinafter called a "Redemption Demand") from the Senior Note Trustee stating that there has occurred under the Senior Note Indenture both an Event of Default and a declaration of acceleration of payment of principal, accrued interest and premium, if any, on the Senior Notes specifying the last date to which interest on such Senior Notes has been paid (such date being hereinafter referred to as the "Initial Interest Accrual Date") and demanding redemption of the New Bonds. The Company waives any right it may have to prior notice of such redemption under the Original Indenture. Upon surrender of the New Bonds by the Senior Note Trustee to the Trustee, the New Bonds shall be redeemed at a redemption price equal to the principal amount thereof plus accrued interest thereon from the Initial Interest Accrual Date to the date of the Redemption Demand; provided, however, that in the event of a rescission or annulment of acceleration of the Senior Notes pursuant to the last paragraph of Section 8.01(a) of the Senior Note Indenture, then any Redemption Demand shall thereby deemed to be rescinded by the Senior Note Trustee although no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

ARTICLE IV

COVENANTS

The Company hereby covenants, warrants and agrees;

Section 1. That the Company is lawfully seized and possessed of all of the mortgaged property described in the granting clauses of this Supplemental Indenture; that it has good right and lawful authority to mortgage the same as provided in this Supplemental Indenture; and that such mortgaged property is, at the actual date of the issue of the New Bonds, free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to the Original Indenture, except as set forth in the granting clauses of the Original Indenture or this Supplemental Indenture.

Section 2. That, so long as any of the New Bonds are outstanding, whenever any officers' certificate is required to be filed or deposited with the Trustee pursuant to Section 3(b) of Article III of the Original Indenture upon an application for the authentication of additional Bonds pursuant to Article III of the Original Indenture, such officers' certificate shall include, in addition to the matters required to be stated therein by said Section 3(b), the statement with respect to the net earnings of the Company available for interest after property retirement appropriations required by Section 2 of Article V of the Supplemental Indenture of July 1, 1956.

Section 3. That, so long as any of the New Bonds are outstanding, the Company will not apply for the authentication and delivery of additional Bonds pursuant to Section 4 of Article III of the Original Indenture or the withdrawal of cash from the trust estate or the reduction of the amount of cash required to be paid into the trust estate or to satisfy the maintenance and improvement funds under any provision of the Original Indenture or the Supplemental Indentures creating prior series of Bonds, on the basis of the amount of \$15,000,000 excluded from net bondable value of property additions not subject to an unfunded prior lien pursuant to Section 3 of Article V of the Supplemental Indenture of October 1, 1945, or on the basis of the amount of \$7,500,000 excluded from net bondable value of property additions not subject to an

unfunded prior lien pursuant to Section 3 of Article V of the Supplemental Indenture of July 1, 1956.

Section 4. That, so long as any of the New Bonds are outstanding, the Company will not issue or permit to be issued any prior lien bonds secured by an unfunded prior lien in addition to the prior lien bonds secured by such unfunded prior lien at the time of first acquisition by the Company of property subject thereto (other than in lieu of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity), except upon compliance with the provisions of Section 16 of Article IV of the Original Indenture, nor unless the net earnings of the Company available for interest after property retirement appropriations (determined as provided in Section 2 of Article V of the Supplemental Indenture of July 1, 1956), for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the additional prior lien bonds are to be issued, have been, in the aggregate, equal to not less than twice the annual interest charges on the indebtedness specified in subparagraphs (i) and (ii) of paragraph (1) of Section 2(a) of said Article V; provided that, if the application for the issue of such additional prior lien bonds is upon the basis of payment at maturity of prior lien bonds theretofore sold or otherwise disposed of or the redemption or purchase thereof after a date two years prior to the date of maturity, the additional requirement imposed by this Section 4 with respect to net earnings of the Company available for interest after property retirement appropriations shall not apply. Any officers' certificate with respect to net earnings of the Company, required to be filed with the Trustee as a condition precedent to the issue of such additional prior lien bonds, shall include, in addition to the matters otherwise required to be stated therein, the matters required to be stated in an officers' certificate pursuant to paragraphs (1) and (2) of Section 2(a) of said Article V.

Section 5. That, so long as any of the New Bonds are outstanding, the Company will not acquire, by purchase, merger or otherwise, any property subject to a lien or liens which will on acquisition be an unfunded prior lien or prior liens, except upon compliance with the provisions of Section 14 of Article IV of the Original Indenture, nor unless the net earnings of such property available for interest after property retirement appropriations (determined in the manner provided in Section 2 of Article V of the Supplemental Indenture of July 1, 1956), for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the first acquisition of property subject to such lien or liens occurs, have been, in the aggregate, equal to not less than twice the amount of annual interest charges, on all outstanding indebtedness secured by such lien or liens. Any officers' certificate with respect to net earnings of such property, required to be filed with the Trustee as a condition precedent to the acquisition of such property, shall include, in addition to the matters otherwise required to be stated therein, the matters required to be stated in an officers' certificate pursuant to Section 2 of said Article V applicable, however, only to the net earnings of such property and to the indebtedness secured by such liens to which such property is subject.

ARTICLE V

THE TRUSTEE

The Trustee hereby accepts the trusts hereby declared and provided, and agrees to perform the same upon the terms and conditions in the Original Indenture and in this Supplemental Indenture set forth, and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely.

ARTICLE VI

AMENDMENTS OF CERTAIN PROVISIONS OF THE ORIGINAL INDENTURE.

Section 1. Pursuant to the reservation of right in the Supplemental Indenture of August 16, 1976 and each supplemental indenture dated thereafter, and there being no outstanding Bonds of any series created prior to the Bonds created by such Supplemental Indenture of August 16, 1976, the Company hereby amends the Original Indenture, as supplemented, so as to substitute in Article XV thereof "sixty percent (60%)" for "eighty percent (80%)" wherever appearing in said Article XV.

Section 2. Pursuant to the reservation of right in the Supplemental Indenture of August 16, 1976 and each supplemental indenture dated thereafter, and there being no outstanding Bonds of any series created prior to the Bonds created by such Supplemental Indenture of August 16, 1976, the Company hereby amends the Original Indenture, as supplemented, to amend Article XV thereof by adding thereto a Section 9 to read as follows:

"SECTION 9. (A) Anything in this Article XV contained to the contrary notwithstanding, the Trustee shall receive the written consent (in any number of instruments of similar tenor executed by Bondholders or by their attorneys appointed in writing) of the holders of sixty percent (60%) or more in principal amount of the Bonds outstanding hereunder, and, if the rights of one or more, but less than all, series of Bonds then outstanding are to be affected by action taken pursuant to such consent, then also by consent of the holders of at least sixty percent (60%) in principal amount of each series of Bonds so to be affected and outstanding hereunder (at the time the last such needed consent is delivered to the Trustee) in lieu of the holding of a meeting pursuant to this Article XV and in lieu of all action at such a meeting and with the same force and effect as a resolution duly adopted in accordance with the provisions of Section 6 of this Article XV.

(B) Instruments of consent shall be witnessed or in the alternative may (a) have the signature guaranteed by a bank or trust company or a registered dealer in securities, (b) be acknowledged before a Notary Public or other officer authorized to take acknowledgements, or (c)

have their genuineness otherwise established to the satisfaction of the Trustee.

The amount of Bonds payable to bearer, and the series and serial numbers thereof, held by a person executing an instrument of consent (or whose attorney has executed an instrument of consent in his behalf), and the date of his holding the same may be proved by exhibiting the Bonds to and obtaining a certificate executed by (i) any bank or trust or insurance company, or (ii) any trustee, secretary, administrator or other proper officer of any pension, welfare, hospitalization or similar fund or funds, or (iii) the United States of America, any Territory thereof, the District of Columbia, any State of the United States or any public instrumentality of the United States, or of any State or of any Territory, or (iv) any other person or corporation satisfactory to the Trustee. A Bondholder in any of the foregoing categories may sign a certificate in his own behalf.

Each such certificate shall be dated and shall state, in effect, that as of the date thereof, a coupon Bond or Bonds bearing a specified serial number or numbers was deposited with or exhibited to the signer of such certificate. The holding by the person named in any such certificate of any Bond specified therein shall be presumed to continue unless (1) any certificate bearing a later date issued in respect of the same Bond shall be produced, (2) the Bond specified in such certificate (or any Bond or Bonds issued in exchange or substitution for such Bond) shall be produced by another holder, or

(3) the Bond specified in such certificate shall be registered as to principal in the name of another holder or shall have been surrendered in exchange for a fully registered bond registered in the name of another holder. The Trustee may nevertheless, in his discretion, require further proof in cases where it deems further proof desirable. The ownership of registered Bonds shall be proved by the registry books.

(C) Until such time as the Trustee shall receive the written consent of the necessary per cent. in principal amount of the Bonds required by the provisions of subsection (A) above for action contemplated by such consent, any holder of a Bond, the serial number of which is shown by the evidence to be included in the Bonds the holders of which have consented to such action, may, by filing written notice with the Trustee at its principal office and upon proof of holding as provided in subsection (B) above, revoke such consent so far as it concerns such Bond. Except as aforesaid, any such action taken by the holder of any Bond shall be conclusive and binding upon such holder and upon all future holders of such Bond (and any Bond issued in lieu thereof or exchanged therefor), irrespective of whether or not any notation of such consent is made upon such Bond, and in any event any action taken by the holders of the percentage in aggregate principal amount of the Bonds specified in subsection (A) above in connection with such action shall be conclusively binding upon the Company, the Trustee and the holders of all the Bonds."

ARTICLE VII

MISCELLANEOUS PROVISIONS.

Section 1. Except as otherwise defined herein, all terms contained in this Supplemental Indenture shall, for all purposes thereof, have the meanings given to such terms in Article I of the Original Indenture.

Section 2. This Supplemental Indenture may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, said Union Electric Company has caused this Supplemental Indenture to be executed on its behalf by its Chairman of the Board or President or one of its Vice Presidents and its corporate seal to be hereto affixed and said seal and this Supplemental Indenture to be attested by its Secretary or one of its Assistant Secretaries; and said The Bank of New York, in evidence of its acceptance of the trust hereby created, has caused this Supplemental Indenture to be executed on its behalf by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal and this Supplemental Indenture to be attested by its Secretary, or one of its Assistant Secretaries; all as of the 15th day of August, Two thousand and two.

Attested:

UNION ELECTRIC COMPANY,
1901 Chouteau Avenue
St. Louis, Missouri 63103

/s/ G. L. Waters

By: /s/ Warner L. Baxter

G. L. Waters
Assistant Secretary

Name: Warner L. Baxter
Title: Senior Vice President

Signed, sealed and delivered by
UNION ELECTRIC COMPANY
in the presence of:

/s/ Daphyne H. Bradley

Daphyne H. Bradley

/s/ D. T. McGillicuddy

D. T. McGillicuddy
As Witnesses

Attested:

THE BANK OF NEW YORK,
911 Washington Avenue
St. Louis, Missouri 63101

/s/ Linda Krull

By: /s/ J. Bruce Herd

Linda Krull
As Agent for The Bank of New York

Name: J. Bruce Herd
Title: As Agent for the Bank of New York

Signed, sealed and delivered by
THE BANK OF NEW YORK
in the presence of:

/s/ P. C. QuiBelle

P. C. QuiBelle

/s/ N. Mogelnicki

N. Moglenicki
As Witnesses

STATE OF MISSOURI, }
 } SS. :
CITY OF ST. LOUIS, }

On this 19th day of August 2002, before me appeared WARNER L. BAXTER, to me personally known, who, being by me duly sworn, did say that he is a Senior Vice President of THE BANK OF NEW YORK, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, as the trustee thereunder by authority of its Board of Directors, and said WARNER L. BAXTER, acknowledged said instrument to be the free act and deed of said corporation as the trustee under said instrument.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my official seal at my office, in the City and State aforesaid, the day and year last above written.

/s/ Mary Hoyt

Mary Hoyt

**MARY HOYT
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
JEFFERSON COUNTY
MY COMMISSION EXPIRES APRIL 1, 2006**

STATE OF MISSOURI, }
 } SS. :
CITY OF ST. LOUIS, }

On this 19th day of August 2002, before me appeared WARNER L. BAXTER, to me personally known, who, being by me duly sworn, did say that he is a Senior Vice President of THE BANK OF NEW YORK, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, as the trustee thereunder by authority of its Board of Directors, and said WARNER L. BAXTER, acknowledged said instrument to be the free act and deed of said corporation as the trustee under said instrument.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my official seal at my office, in the City and State aforesaid, the day and year last above written.

/s/ Mary Hoyt

Mary Hoyt

**MARY HOYT
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
JEFFERSON COUNTY
MY COMMISSION EXPIRES APRIL 1, 2006**

August 23, 2002

Union Electric Company
1901 Chouteau Avenue
St. Louis, Missouri 63103

Ladies and Gentlemen:

I am Vice President, General Counsel and Secretary of Union Electric Company, a Missouri corporation (the "COMPANY"). The Company and Union Electric Capital Trust I, a Delaware business trust, have filed with the Securities and Exchange Commission (the "COMMISSION") a Registration Statement on Form S-3 (Registration Nos. 333-87506 and 333-87506-01) (the "REGISTRATION STATEMENT") under the Securities Act of 1933, as amended (the "SECURITIES ACT"), with respect to up to \$750,000,000 maximum aggregate offering price of securities, which was declared effective by the Commission on August 13, 2002. On August 22, 2002, the Company issued and sold \$173,000,000 of its 5.25% Senior Secured Notes due 2012 (the "NOTES") pursuant to an indenture dated as of August 15, 2002 between the Company and The Bank of New York, as trustee (the "INDENTURE").

In connection with the issuance and sale of the Notes by the Company, I have reviewed originals (or copies certified or otherwise identified to my satisfaction) of the Registration Statement (including the exhibits thereto), the Restated Articles of Incorporation and By-Laws of the Company as in effect on the date hereof, the Indenture, a specimen of the Notes, corporate and other documents, records and papers and certificates of public officials. In connection with such review, I have assumed the genuineness of all signatures, the legal capacity of natural persons, the conformity to the originals of the documents submitted to me as certified or photostatic copies, the authenticity of the originals of such documents and all documents submitted to me as originals and the correctness of all statements of fact contained in such original documents. I am a member of the Bar of the State of Missouri and, for purposes of this opinion, do not hold myself out as an expert on the laws of any jurisdiction other than the State of Missouri.

On the basis of such review, I am of the opinion that the Notes have been legally issued by the Company and constitute the valid and binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights, to general equitable principles (whether considered in a proceeding in equity or at law) and to an implied covenant of reasonableness, good faith and fair dealing.

I hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K dated August 23, 2002, which is incorporated by reference in the Registration Statement.

Very truly yours,

/s/ Steven R. Sullivan

Steven R. Sullivan
Vice President, General Counsel and
Secretary.

[LETTERHEAD OF PILLSBURY WINTHROP LLP]

August 23, 2002

Union Electric Company
1901 Chouteau Avenue
St. Louis, Missouri 63103

Ladies and Gentlemen:

Union Electric Company, a Missouri corporation (the "COMPANY"), and Union Electric Capital Trust I, a Delaware business trust, have filed with the Securities and Exchange Commission (the "COMMISSION") a Registration Statement on Form S-3 (Registration Nos. 333-87506 and 333-87506-01) (the "REGISTRATION STATEMENT") under the Securities Act of 1933, as amended (the "SECURITIES ACT"), with respect to up to \$750,000,000 maximum aggregate offering price of securities, which was declared effective by the Commission on August 13, 2002. On August 22, 2002, the Company issued and sold \$173,000,000 of its 5.25% Senior Secured Notes due 2012 (the "NOTES") pursuant to an indenture dated as of August 15, 2002 between the Company and The Bank of New York, as trustee (the "INDENTURE").

In connection with the issuance and sale of the Notes by the Company, we have reviewed originals (or copies certified or otherwise identified to our satisfaction) of the Registration Statement (including the exhibits thereto), the Restated Articles of Incorporation and By-Laws of the Company as in effect on the date hereof, the Indenture, a specimen of the Notes, corporate and other documents, records and papers and certificates of public officials. In connection with such review, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the conformity to the originals of the documents submitted to us as certified or photostatic copies, the authenticity of the originals of such documents and all documents submitted to us as originals and the correctness of all statements of fact contained in such original documents. We are members of the Bar of the State of New York and, for purposes of this opinion, do not hold ourselves out as experts on the laws of any jurisdiction other than the State of New York.

On the basis of such review, we are of the opinion that the Notes constitute the valid and binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights, to general equitable principles (whether considered in a

[LETTERHEAD OF PILLSBURY WINTHROP LLP]

Union Electric Company
August 23, 2002

proceeding in equity or at law) and to an implied covenant of reasonableness, good faith and fair dealing.

We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K dated August 23, 2002, which is incorporated by reference in the Registration Statement. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Pillsbury Winthrop LLP

EXHIBIT 12

**UNION ELECTRIC COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES**

THOUSANDS OF DOLLARS EXCEPT RATIOS

	SIX MONTHS ENDED JUNE 30,	
	2001	2002
	-----	-----
Net Income	\$120,659	\$158,329
Add- Extraordinary items net of tax	4,848	-
	-----	-----
Net income from continuing operations	125,507	158,329
	-----	-----
Taxes based on income	80,003	83,328
	-----	-----
Net income before income taxes	205,510	241,657
	-----	-----
Add- fixed charges:		
Interest on long term debt	56,716	48,721
Other interest	2,108	3,622
Rentals	1,711	1,280
Amortization of net debt premium, discount, expenses and losses	1,641	1,641
	-----	-----
Total fixed charges	62,176	55,264
	-----	-----
Earnings available for fixed charges	267,686	296,921
	=====	=====
Ratio of earnings to fixed charges	4.30	5.37
	=====	=====

End of Filing

Powered By  EDGAR Online

© 2005 | EDGAR Online, Inc.