

SECOND AMENDED AND RESTATED
TAX QUALIFIED DECOMMISSIONING TRUST

THIS TRUST AGREEMENT between UNION ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Missouri (hereinafter referred to as the "Company"), and BOATMEN'S TRUST COMPANY OF ILLINOIS, a corporation organized and existing under the laws of the State of Illinois (hereinafter referred to as the "Trustee"), to be effective as of July 28, 1993.

WITNESSETH:

WHEREAS, the Public Service Commission of the State of Missouri (the "PSC"), the Illinois Commerce Commission of the State of Illinois (the "ICC"), and the Federal Energy Regulatory Commission (the "FERC") have ordered the Company to establish a trust to hold and invest those monies collected by the Company from its customers to cover the anticipated cost associated with decommissioning the Callaway nuclear power plant, Callaway County, Missouri (the "Callaway Plant"), at the end of its operational life; and

WHEREAS, Boatmen's Trust Company and the Company entered into an interim decommissioning trust agreement (hereinafter referred to as the "Interim Trust") for the purpose of establishing a trust fund to hold and invest decommissioning revenues collected by the Company until such time as the Company established a continuing trust qualified under Section 468A of the Internal Revenue Code of 1986; and

WHEREAS, Boatmen's Trust Company and the Company subsequently amended and restated, in its entirety, effective January 16, 1989, the Interim Trust in order to establish a new, continuing trust arrangement (hereinafter referred to as "Amended and Restated Trust"), to terminate their respective obligations under the Interim Trust and to recognize that these obligations were transferred to the Amended and Restated Trust, and to recognize a transfer of assets from the Interim Trust to the Amended and Restated Trust; and

WHEREAS, Company desires to further amend and restate the Amended and Restated Trust, in order to incorporate amendments thereto that were effective August 17, 1992, to make additional changes, and to appoint as Trustee Boatmen's Trust Company of Illinois.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Company and the Trustee hereby agree that, effective as of August 9, 1993, the Amended and Restated Trust is further amended and restated in its entirety to give recognition: (i) to amendments thereto that were effective August 17, 1992; (ii) to additional amendments; and (iii) to the appointment of Boatmen's Trust Company of Illinois as Trustee, all to read as follows:

ARTICLE I

1.01. The Company shall transmit to the Trustee, as soon as reasonably practicable after the end of each calendar quarter, such revenues collected from its Missouri retail customers ("Missouri Revenues"), from its Illinois retail customers ("Illinois Revenues"), and from its wholesale customers ("Wholesale Revenues") during such calendar quarter for the purpose of providing funds to cover the anticipated costs associated with decommissioning the Company's Callaway Plant at the end of its operational life (the Missouri Revenues, the Illinois Revenues and the Wholesale Revenues collectively referred to as the "Revenues"). The anticipated decommissioning costs and expenses shall include all reasonable costs and expenses incurred in connection with the entombment, decontamination, dismantlement, removal and disposal of the structures, systems and components of the Callaway Plant at the time of decommissioning, including all expenses to be incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and to be incurred after the actual decommissioning occurs, such as physical security and radiation monitoring expenses, less proceeds of insurance, salvage or resale of machinery, construction equipment or apparatus the cost of which was charged as a decommissioning expense. Each transmittal shall be in the form of a separate Company check made payable to the Trustee. The Company shall

indicate to the Trustee the amount of the Missouri Revenues, the amount of the Illinois Revenues, and the amount of the Wholesale Revenues. The Trustee shall be under no duty to inquire as to the correctness of the amounts paid by the Company, nor to bring proceedings or otherwise seek to enforce transmittal of Revenues from the Company.

1.02. The Trustee shall establish and maintain three separate and independent trust funds, which for illustrative purposes are herein described as the "Missouri Trust Fund," the "Illinois Trust Fund," and the "Wholesale Trust Fund." All Missouri Revenues received by the Trustee and the increment, increase, earnings and income thereof shall be held, invested, reinvested, managed and administered through the Missouri Trust Fund. All Illinois Revenues received by the Trustee and the increment, increase, earnings and income thereof shall be held, invested, reinvested, managed and administered through the Illinois Trust Fund. All Wholesale Revenues received by the Trustee and the increment, increase, earnings and income thereof shall be held, invested, reinvested, managed and administered through the Wholesale Trust Fund. Unless the context provides to the contrary, each reference in this Trust Agreement to "Trust Fund" or to "Trust" shall refer and apply equally to the "Missouri Trust Fund," to the "Illinois Trust Fund," and to the "Wholesale Trust Fund," as three separate, distinct and independent trust funds.

1.03. The Company may appoint one or more investment advisors to direct the Trustee with respect to the investment of all or a specified portion of the assets held by the Trustee. The appointment of any investment advisor shall be effective as of the date specified by the Company, but not before it has been accepted in writing by the investment advisor and notice of such appointment and acceptance given by the Trustee. The Company may remove, or change the assets subject to the control of, any investment advisor previously appointed hereunder, but the Trustee may follow the instructions of a properly appointed investment advisor until informed by the Company that such investment advisor has been removed or its authority over particular assets changed.

1.04. This Trust Agreement and the Trust Fund are intended to meet all applicable requirements of the Internal Revenue Code of 1986, as amended and in effect from time to time, and the applicable rules and regulations promulgated by the Internal Revenue Service with respect to a Tax Qualified Nuclear Decommissioning Reserve Fund.

ARTICLE II

2.01. Subject to applicable federal and state regulations, the Trustee shall prudently invest and reinvest the principal and income of the Trust Fund and keep the Trust Fund invested, without distinction between principal and income, and in such a

way as to attempt to maximize the after-tax return on the investments and reinvestments. Investments may include, but are not necessarily limited to, equity investments, fixed income securities, cash equivalents, index and mutual funds, and other commingled funds. Selection of the investment media for the investment and reinvestment of the principal and income of the Trust Fund shall be in the sole discretion of the Trustee, except for any portion of the Trust Fund that may be subject to the instructions of an additional investment advisor; provided, however, that investments shall be so diversified as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so; and further provided that on the written request of the Company to retain cash, the Trustee shall retain so much cash as shall be specified in such request and shall be under no obligation to invest the same as herein provided, and also that the Trustee in its discretion may retain cash temporarily awaiting investment. The Trustee shall prepare and file all federal, state and local income tax returns that may be required as a result of the investment and reinvestment of the principal and income of the Trust Fund.

2.02. Expenses incidental to the administration of the Trust Fund including, but not by way of limitation, legal or accounting fees, inspection and audit expenses incurred pursuant to Article 5.01 hereof, the expenses incurred by the Trustee in the performance of its duties hereunder, including reasonable fees for legal services rendered to the Trustee and expenses

incident thereto, such compensation to the Trustee as may be agreed upon in writing from time to time between the Company and the Trustee, and all other proper charges and disbursements of the Trustee, including all real and personal property taxes, income taxes, transfer taxes, and other taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws of any jurisdiction upon or in respect of the Trust hereby created or the Trust Fund or any money, property or securities forming a part thereof, shall be paid by the Trustee out of the Trust Fund, and the same shall constitute a charge upon the Trust Fund. After notice to the Company and at the request of the Company, the Trustee shall contest any tax or other charge which may be levied or assessed against the Trust Fund and the expenses of such contest shall be paid out of the Trust Fund; but it shall not be required to institute or continue such contest unless the Trust Fund contains monies adequate for that purpose, or unless it is indemnified to its satisfaction by the Company against its counsel fees and all other expenses, costs and liabilities to which, in its judgment, it may be subjected by any such action. Before obligating itself for extraordinary fees or expenses, the Trustee shall in each case discuss with the Company the occasion therefor and the advisability thereof.

ARTICLE III

3.01. In addition to such other powers as are herein otherwise conferred upon the Trustee, the Trustee is authorized and empowered:

- (a) To employ such counsel and agents as may be reasonably necessary in managing, protecting and administering the Trust Fund and to pay such agents and counsel reasonable compensation. Any legal counsel shall be of the Trustee's own selection and may be of counsel to the Trustee, in its individual capacity, or of counsel to the Company.
- (b) To register any securities or any property held by it in its name, or in the name of a nominee, with or without disclosure that the same are held in a fiduciary capacity, to take or keep the same unregistered, and to retain the same or any part thereof in such manner that title thereto will pass by delivery; provided, however, that on the books and records of the Trustee, such investments shall be shown to be part of the Trust Fund and no such registration or holding, as herein provided, shall relieve the Trustee of liability for the safe custody and proper disposition of such investments, in accordance with the terms and provisions hereof.

(c) To vote any securities of any issuer at any time in the Trust Fund, and to give general or special proxies or powers of attorney, with or without substitution, with respect thereto; to consent to, participate in, and take any action in connection with, reorganizations, recapitalizations, consolidations, mergers, liquidations and similar transactions with respect to issuers of securities constituting assets of the Trust Fund, and to receive and retain any securities resulting from any such transactions; to deposit the securities of any issuers in any voting trust or with any protective or like committee, or trustee, and to exercise any subscription rights, conversion, or other rights or privileges, with respect to any securities in the Trust Fund.

(d) To adjust, compromise or otherwise settle any obligation or liability due to, or from, it, as Trustee hereunder, including any claim that may be asserted for taxes under present or future laws, local, state or federal, or to enforce or contest the same by appropriate legal procedures; but it shall not be required to institute or continue litigation unless it is in possession of funds adequate for that purpose, or unless it is indemnified to its satisfaction by the Company against its counsel fees and all other expenses, costs and liabilities to which, in its

judgment, it may be subjected to by any such action; provided, however, that the Trustee shall have no power or authority to deviate from such directions as the Company may give to it with respect to payment of money, either as to amount or the time or times of such payments, or as to the persons entitled thereto.

- (e) To do all acts, whether or not expressly authorized, which it may deem necessary or proper for the protection of the Trust Fund held hereunder.

3.02. Except for the payment of expenses as provided for in Article 2.02 hereof or except as provided in Articles 3.03, 3.04 and 3.05 hereof, disbursements of funds from the Trust Fund shall be made by the Trustee solely to pay decommissioning costs and expenses of the Callaway Plant, and only at the time, in the amount, and in the manner prescribed by written instruction from the Company delivered to the Trustee. The Trustee shall be under no obligation to check or verify the correctness of the instructions given to it by the Company, its only duty being to follow the directions of the Company.

3.03. Upon written instructions of the Company delivered to the Trustee, the Trustee shall transfer funds held hereunder to any other trust, which is now or hereafter may be utilized by the Company to fund decommissioning costs and expenses previously funded by this Trust. The Trustee shall be under no obligation to check or verify the correctness of the instructions given to

it by the Company, its only duty being to follow the directions of the Company.

3.04. Any funds remaining in the Trust Fund after the payment of all decommissioning costs and expenses as provided for in Article 3.02 and the payment of all expenses as provided for in Article 2.02 shall, upon written instruction from the Company, be refunded by the Trustee to the Company and this Trust Agreement shall terminate and neither party shall have any further responsibility or obligation with respect thereto except for the filing of reports and the payment of taxes. The Trustee is empowered to retain from the Trust Fund such amount of money as is reasonably necessary to pay taxes and other expenses that have accrued but have not been paid.

3.05. In the event the Company sells or otherwise disposes of its ownership interest, or any part thereof, in the Callaway Plant, the funds of the Trust shall be distributed to the Company to the extent of the reductions in its liability for future decommissioning after taking into account the liabilities of the Company for future decommissioning of the Callaway Plant and the liabilities that have been assumed by another entity.

ARTICLE IV

4.01. The Trustee shall discharge its duties under this Trust Agreement with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting

in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, all in accordance with the provisions of this Trust Agreement. The Trustee shall be fully protected, however, in relying upon information furnished by the Company which is required for the administration and operation of the Trust Fund created hereunder, and shall not be liable for any action taken or omitted, in reliance on such information.

4.02. The Trustee may consult with counsel (who may be counsel for the Company or for the Trustee in its individual capacity) and shall be fully protected in acting in good faith upon advice received from such counsel. The Company agrees, to the extent permitted by law, to indemnify and hold the Trustee harmless from and against any liability that the Trustee may incur in the administration of the Trust Fund, unless arising from the Trustee's own negligent or willful breach of the provisions of this Trust Agreement. The Trustee shall not be required to give any bond or any other security for the faithful performance of its duties under this Trust Agreement, except such as may be required by a law which prohibits the waiver thereof.

ARTICLE V

5.01. The Trustee shall keep accurate and detailed accounts of the Missouri Revenues received, the Illinois Revenues received, and the Wholesale Revenues received, investments made

with the Revenues, receipts and disbursements through the Trust, all costs incurred, income from the Trust, and other transactions hereunder and all such accounts and other records relating thereto shall be open to inspection and audit at all reasonable times by any person designated by the Company. Within thirty (30) days following the close of each calendar quarter or such other accounting period as the Company may from time to time designate, and within thirty (30) days after the removal or resignation of the Trustee as provided under Article 6.02 hereof, the Trustee shall file with the Company a written account setting forth the Missouri Revenues received, the Illinois Revenues received, and the Wholesale Revenues received, investments made with the Revenues, receipts and disbursements through the Trust, all costs incurred, income from the Trust, and other transactions with respect to the Trust Fund effected by it during such calendar quarter or during the period from the close of the last calendar quarter to the date of such removal or resignation. A similar report with respect to the Missouri Revenues shall be made to the PSC within thirty (30) days following the close of each calendar year and within thirty (30) days after the removal or resignation of the Trustee.

5.02. Within thirty (30) days following the close of each calendar quarter or such other accounting period as the Company may from time to time designate, and within thirty (30) days after the removal or resignation of the Trustee as provided under Article 6.02 hereof, the Trustee shall file with the Company and

the ICC a written report showing the Trust's portfolio of investments and the return thereon, as well as the amount of and the date of receipt of the Illinois Revenues. A copy of all non-privileged written correspondence between the Trustee and the Internal Revenue Service shall be sent to the Company and to the ICC within fifteen (15) days of the date of such correspondence.

5.03. Within fifteen (15) days after submitting a federal, state or local income tax return or any other report or document with any federal, state or local agency pertaining to the Trust Fund or this Trust Agreement, the Trustee shall submit a copy thereof to the Company, to the PSC and to the ICC.

5.04. Notwithstanding any other provision of this Article V, the Trustee shall have the right to have a judicial settlement of its accounts. In any proceeding for a judicial settlement of the Trustee's accounts, or for instructions in connection with the Trust Fund, the only necessary party thereto in addition to the Trustee shall be the Company.

ARTICLE VI

6.01. The Company shall have the right to amend this Trust Agreement; provided, however, that no such amendment shall become effective until it is delivered to and signed by the Trustee hereunder, and nothing therein contained shall increase the duties and liabilities of the Trustee without its written consent.

6.02. The Trustee may be removed by action of the Company at any time upon thirty (30) days' notice in writing to the Trustee. The Trustee may resign at any time upon thirty (30) days' notice in writing to the Company. In either case, the necessity for such thirty (30) days' notice may be waived by the mutual agreement of the Trustee and the Company. Upon such removal or resignation of the Trustee, the Company shall appoint a successor trustee who shall have the same powers and duties as those conferred upon the Trustee hereunder, and upon acceptance of such appointment by the successor trustee, the Trustee shall assign, transfer and pay over to such successor trustee the funds and properties then constituting the Trust Fund, together with such records or copies thereof as may be necessary to fulfill the function of trustee.

ARTICLE VII

7.01. The Trustee hereby accepts this Trust and agrees to hold all the property now or hereafter constituting the Trust Fund hereunder, subject to all the terms and conditions of this Trust Agreement.

7.02. In fulfilling its responsibilities and duties hereunder, the Trustee shall comply with pertinent federal, state and local laws and regulations applicable to trust companies and fiduciaries performing similar functions.

7.03. The Trustee shall be entitled conclusively to rely upon any written notice, instruction, direction, certificate or other communication believed by it to be genuine and to be signed by the proper person or persons, and the Trustee shall be under no duty to make investigation or inquire as to the truth, accuracy or completeness of any statement contained therein.

7.04. The Trustee shall not permit the indicia of ownership of any of the assets of the Trust Fund to be maintained at a location outside the jurisdiction of the district courts of the United States.

7.05. This Trust Agreement is subject to all laws, statutes, rules and regulations, now and hereafter in effect, of any applicable governmental body of competent jurisdiction. In the event any provision of this Trust Agreement is inconsistent with the Internal Revenue Code of 1986, as now in effect or as such act may from time to time be amended, or any regulation issued thereunder, as such may be applicable to a Tax Qualified Nuclear Decommissioning Reserve Fund, the provision of this Trust Agreement so affected shall be deemed modified or superseded so as to be consistent with such act, and all other provisions of this Trust Agreement and the provision or provisions as so modified shall in all respects continue and be in full force and effect.

7.06. This Trust Agreement shall be construed and enforced according to the laws of the State of Illinois, and all provisions hereof shall be administered according to the laws of

said State insofar as such laws are not preempted by Federal statute.

7.07. Any notice, request, instruction, direction, requisition or other document required or permitted to be given under this Trust Agreement shall be sufficiently given if delivered in person or when deposited in the United States mail, postage prepaid as follows:

If to the Company, delivered or addressed to:

Union Electric Company
1901 Chouteau Avenue
P.O. Box 149
St. Louis, Missouri 63166
Attention: Secretary

If to the Trustee, delivered or addressed to:

Boatmen's Trust Company of Illinois
23 Public Square
P.O. Box 367T
Belleville, Illinois 62222
Attention: Pension and Institutional
Division

or to such other address as may be specified from time to time by said party or parties.

Any report or document submitted to the PSC shall reference Case Nos. EO-85-17 and ER-85-160 and shall be sent by United States mail, postage prepaid, as follows:

Public Service Commission of
the State of Missouri
P.O. Box 360
Jefferson City, Missouri 65102
Attention: Secretary

Any report or document submitted to the ICC shall reference Docket No. 88-0301 and shall be sent by United States mail, postage prepaid, as follows:

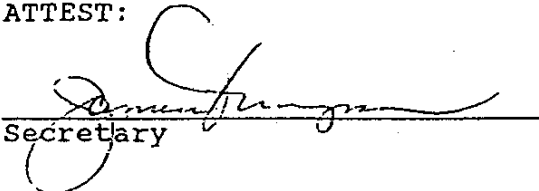
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62706
Attention: Chief Clerk

7.08. The Trustee, by joining in the execution of this Trust Agreement, hereby accepts the foregoing Trust and agrees to carry out the provisions thereof to be performed by the Trustee.

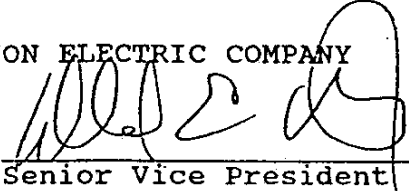
7.09. This Trust Agreement and the provisions hereof shall inure to and be binding upon the respective successors of the Company and the Trustee.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be executed by their respective duly authorized officers and their corporate seals to be hereunto affixed.

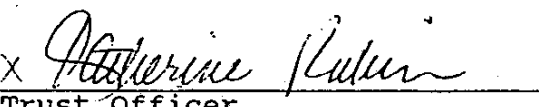
ATTEST:


Secretary

UNION ELECTRIC COMPANY

By 
Senior Vice President

ATTEST:

X 
Trust Officer

BOATMEN'S TRUST COMPANY
OF ILLINOIS

By X 
Vice President

AMENDMENT TO
SECOND AMENDED AND RESTATED
TAX QUALIFIED DECOMMISSIONING TRUST

This amendment is effective August 1, 1995, between Union Electric Company (hereinafter "Company") and Boatmen's Trust Company of Illinois (hereinafter "Trustee").

WHEREAS, the parties entered into the Second Amended and Restated Tax Qualified Decommissioning Trust agreement, effective July 28, 1993 (hereinafter the "Agreement"); and

WHEREAS, Company, pursuant to paragraph 6.01 of the Agreement, has the right and does desire to amend the Agreement; and

WHEREAS, Company, pursuant to paragraph 6.02 of the Agreement has the right to remove the Trustee and appoint a successor trustee; and

WHEREAS, Company desires to appoint Boatmen's Trust Company as successor trustee under the Agreement; and

WHEREAS, Trustee is willing to agree to said amendment and to consent to removal as trustee.

NOW, THEREFORE, the parties agree as follows:

1. The first paragraph of the Agreement is amended to change "Boatmen's Trust Company of Illinois" to "Boatmen's Trust Company."

2. Paragraph 7.06 of the Agreement is amended to change "State of Illinois" to "State of Missouri."

3. Paragraph 7.07 of the Agreement is amended to change the trustee's notice address as read as follows:

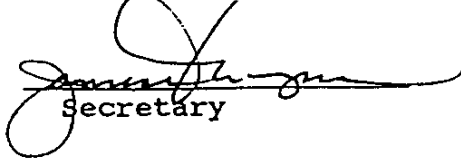
Boatmen's Trust Company
510 Locust Street
P.O. Box 14737
St. Louis, Missouri 63178
Attn: Corporate Trust Division

4. Company hereby removes Boatmen's Trust Company of Illinois as Trustee and appoints Boatmen's Trust Company as successor trustee.

5. Trustee hereby agrees to this amendment and its removal as Trustee.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective duly authorized officers and their corporate seals to be hereunto affixed.

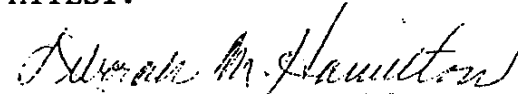
ATTEST:


Secretary

UNION ELECTRIC COMPANY

By 
Jerre E. Birdsong
Treasurer

ATTEST:

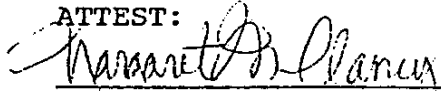

Trust Officer

BOATMEN'S TRUST COMPANY
OF ILLINOIS

By 
~~Vice~~ President

Boatmen's Trust Company hereby accepts its appointment as successor trustee under the Agreement.

ATTEST:


~~Trust Officer~~
Assistant Vice President

BOATMEN'S TRUST COMPANY

By 
Vice President

SECOND AMENDMENT TO
SECOND AMENDED AND RESTATED
TAX QUALIFIED DECOMMISSIONING TRUST

This amendment (hereinafter the "Second Amendment") is effective December 31, 1996, between Union Electric Company (hereinafter "Company") and Boatmen's Trust Company (hereinafter "Trustee").

WHEREAS, the parties entered into the Second Amended and Restated Tax Qualified Decommissioning Trust agreement, effective July 28, 1993 (hereinafter the "Agreement"); and

WHEREAS, the parties then entered into an amendment to the Agreement, effective August 1, 1995; and

WHEREAS, the Company intends for the Tax Qualified Decommissioning Trust to comply with section 468A of the Internal Revenue Code of 1986 (hereinafter "Code"), which permits the owner of a nuclear power plant to deduct for federal income tax purposes contributions to a nuclear decommissioning trust fund, provided certain requirements are met; and

WHEREAS, the United States Treasury Department, in December 1994, issued Treasury Regulations section 1.468A-5(a)(4), which provides that "[b]y December 31, 1996, each qualified nuclear decommissioning trust fund agreement must provide that assets in the fund must be used as authorized by [Code] section 468A and the regulations thereunder and that the agreement may not be amended so as to violate [Code] section 468A or the regulations thereunder;" and

WHEREAS, the Company, pursuant to paragraph 6.01 of the Agreement, as previously amended, has the right to amend the Agreement; and

WHEREAS, the Company desires to amend the Agreement, as previously amended, to comply with the Treasury Regulations section 1.468A-5(a)(4); and

WHEREAS, the Trustee consents to this Second Amendment.

NOW, THEREFORE, the parties agree as follows:

1. Section 1.04 of the Agreement is amended by adding at the end the following sentence: "The assets in the Trust Fund must be used as authorized by section 468A of the Internal Revenue Code of 1986 and the regulations thereunder."

2. Section 6.01 of the Agreement is amended by adding at the end the following sentence: "This Trust Agreement may not be amended so as to violate Internal Revenue Code section 468A or the regulations thereunder."

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by their respective duly authorized officers and their corporate seals to be hereunder affixed.

ATTEST:

Z. Q. Mallet
ASSISTANT Secretary

UNION ELECTRIC COMPANY

By *Jerre E. Birdsong*
Jerre E. Birdsong
Treasurer

ATTEST:

Vicki A. Smith
Trust Officer

BOATMEN'S TRUST COMPANY

By *William A. Smith*
Vice President