

LAWL, DODD-WORTH STATIONERY CO. KANSAS CITY, MO. 64110

the amount and character of its shares and outstanding capital stock are correctly described in the application, that such outstanding stock is validly issued, fully paid and nonassessable, that on the basis of the statements made in such application and an examination of the charter of such corporation it is qualified to be a subsidiary as defined in this Section, that the Company has good title to bonds, notes or other obligations and shares of stock of such corporation pledged or to be pledged hereunder, and whether any, and if any, what instruments of transfer are necessary to subject the same to the lien hereof as a first lien thereon;

(3) The bonds, notes or other obligations and certificates for the shares of stock to be pledged hereunder (as stated in such application), unless already held by the Corporate Trustee, endorsed in blank or to the Corporate Trustee or accompanied by proper instruments of assignment and transfer in blank or to the Corporate Trustee together with such instruments of transfer, if any, as may have been specified as necessary in the above required opinion of counsel;

(4) Copies of the mortgages or other instruments evidencing any liens upon the fixed properties of such corporation.

Sec. 1.07 The term "subsidiary first mortgage bonds" means bonds, notes or other obligations of a subsidiary (hereinafter in this Section called "obligations"),

(1) which mature not later than the date of the maturity of the last maturing series of Bonds outstanding under this Indenture at the time of delivery of such obligations to the Corporate Trustee hereunder or then or theretofore authorized by the Company and applied for on the basis of such delivery (as provided in Secs. 4.02 and 4.05);

(2) which bear interest at a rate per annum not less than the lowest rate of interest borne by any Bonds then outstanding or so authorized and applied for under this Indenture;

(3) which have been issued under an indenture of mortgage of such subsidiary to a corporate trustee (or to a corporate trustee and one or more corporate or individual co-trustees) constituting a first lien (subject only to the lien of current taxes) upon all fixed property of such subsidiary then owned or hereafter acquired or to be acquired, and under which the subsidiary shall be obligated to maintain its property in good repair and working condition; and

(4) the principal amount of which and of all other obligations of such subsidiary outstanding under such subsidiary indenture (not including a principal amount of such obligations equal to the amount of deposited cash then in the hands of the trustee under such subsidiary indenture) shall not exceed 70 per cent of the cost or fair value (as defined in Secs. 1.13 and 1.14), whichever shall be the lesser, of all fixed property of the subsidiary issuing such obligations, owned by it at any specified date not more than sixty (60) days prior to the date of delivery of such obligations to the Corporate Trustee hereunder;

provided, however, that whenever under any provision of this Indenture subsidiary obligations shall hereafter be deposited and pledged with the Corporate Trustee, such obligations shall not be recognized by said Trustee as subsidiary first mortgage bonds unless and until there shall have been furnished to said Trustee:

(a) An opinion of counsel stating in substance (1) that such obligations are subsidiary first mortgage bonds as defined by this Section and that the same have been issued under and in conformity with an Indenture of mortgage which complies with the requirements of this Section, and (2) that the issue of such obligations has been duly authorized by the subsidiary issuing the same and that said obligations are valid and binding in accordance with their terms and (3) that the issue of such obligations has been duly consented to by any and all governmental authorities if and to the extent that such consent is required by law or that no consent of any governmental authority is requisite to the legal issue of such obligations, and (4) that the depositing and pledging hereunder of such obligations has been duly authorized by the Company; and

(b) A certificate signed and sworn to by the President or a Vice President of the Company and by its Treasurer or Assistant Treasurer under the corporate seal which shall contain (1) a statement of the principal amount, rate of interest, date of maturity and interest payment dates of such obligations and a reference to the subsidiary indenture under which the same have been issued, (2) a statement that the principal amount of such obligations and of all other obligations then outstanding under such subsidiary indenture (not including a principal amount of such obligations equal to the amount of deposited cash then in the hands of the trustee under such subsidiary indenture) does not exceed 70 per cent of the cost or fair value as defined in Secs. 1.13 and 1.14 of this Indenture, whichever shall be the lesser, of all fixed property of the subsidiary issuing such obligations, owned by it at any specified date not more than sixty (60) days prior to the date of delivery of such obligations to the Corporate Trustee hereunder, (3) a statement that no part of any property additions on the basis of which such obligations have been issued includes any items properly constituting repairs or maintenance or any items representing replacements or renewals except to the amount by which the cost thereof exceeds the cost of the property renewed or replaced, or any property additions paid for or payable out of insurance moneys or the proceeds of the sale of released property under the provisions of this Indenture of the indenture securing such obligations (4) if such obligations have been issued on the basis of property additions, a statement that such property additions have not previously been made the basis for the issuance of subsidiary obligations or the withdrawal of deposited money under any provision of any indenture securing subsidiary obligations and that such property additions were not owned, constructed or acquired by such subsidiary prior to the date as of which it shall be established as a subsidiary, and (5) a statement of such further facts as the Corporate Trustee shall request for the purpose of showing that such obligations comply with all requirements of this Indenture with respect to subsidiary first mortgage bonds.

Sec. 1.08 The term "engineer" means an individual, co-partnership or corporation regularly engaged or employed in engineering work or any other expert, satisfactory in any case to the Corporate Trustee and to the Banker and believed by them to be qualified for the particular duty to be performed by an engineer under any provision of this Indenture, without regard to whether any such person be an officer or regular salaried employee of the Company. The term "independent engineer" means an engineer who may be selected and paid by the Company but who shall not be an officer or regular salaried employee of the Company.

Sec. 1.09 The term "independent accountant" means a certified or chartered public accountant or firm of accountants satisfactory to the Corporate and to the Banker who may be selected and paid by the Company but shall not be an officer or regular salaried employee of the Company.

Sec. 1.10 The term "counsel" means a person or firm of persons engaged in the practice of law, satisfactory to the Corporate Trustee and to the Banker, who may but need not be a person or persons regularly retained or employed by the Company.

Sec. 1.11 The term "fixed property" means all property, real or personal, now or hereafter owned by the Company or a subsidiary, of a character properly chargeable to fixed capital accounts under recognized accounting practices applicable to the Company or such subsidiary (including property additions as defined in Sec. 1.12) and which is used by or useful to the Company or such subsidiary in or incidentally to the business of manufacturing, storing, supplying and/or distributing, directly or indirectly, to the public within the United States of America any one or more of the following, namely (a) ice, ice cream and other products of icing or refrigeration, cold storage, chilled brine or refrigeration of any kind, and (b) fuel and building materials, when manufactured, produced or sold in conjunction with any other business mentioned in this Section.

The term "fixed property" however shall not include

- (1) Stocks, bonds, or other obligations or securities now owned or hereafter acquired;
- (2) Furniture, loose tools, materials or supplies on hand for use in the operation of any plants or systems, or stocks of appliances and merchandise held for sale, or materials or supplies on hand and