

## MORTGAGE RECORD 75

intended to be used for construction purposes so long as the same shall not be actually used in the course of construction of property additions as defined in Sec. 1.12; or

(3) Franchise (including in that term any license, ordinance, indeterminate permits or other operating rights however denominated, granted by any public service commission or other municipal or governmental authority), patent rights, or other rights or assets chargeable to intangible capital accounts under recognized accounting practices applicable to the Company or the subsidiary in question. Sec. 1.12 The term "property additions" in the case of the Company means fixed property acquired or constructed by the Company after December 31, 1928 (but not including any such property owned on that date by any of the predecessors in title hereinafter in this Section named), properly charged to the fixed capital accounts of the Company after December 31, 1928, or, in the case of any subsidiary, means fixed property acquired or constructed and properly so charged after the date as of which it is established as a subsidiary, and which is subject, in the case of the Company, to the lien of this Indenture, and in the case of a subsidiary to the lien of the Indenture of mortgage securing subsidiary first mortgage bonds of such subsidiary.

Without limiting the generality of the foregoing it is expressly provided that the term "property additions"

(1) shall include additions, improvements, betterments, developments, extensions and enlargements to, of or upon the properties and plants owned on or before the date of the execution and delivery of this Indenture by the Company to the extent made and charged to fixed capital accounts after December 31, 1928, either by the Company or its predecessors in title below named (disregarding charges to fixed capital accounts solely on account of the acquisition of fixed property which was owned on December 31, 1928, by any of the predecessors in title below named and which was transferred to the Company prior to the date of execution and delivery of this Indenture);

(2) may include other plants or properties whether or not connected with or related to those above mentioned hereafter acquired by the Company or a subsidiary through purchase, merger or consolidation or otherwise, together with the additions, improvements, betterments, developments, extensions and enlargements to, of or upon such other plants or properties;

(3) need not consist of a specific or completed addition, improvement, betterment, development, extension or enlargement or a complete new property, but may include material and supplies actually used, and work, labor and services actually performed, in the course of the construction by the Company or a subsidiary or anything which will, upon the completion thereof, constitute a unit of property additions as otherwise herein defined; and

(4) shall include renewals and replacements of fixed property but only to the extent that the cost thereof exceeds the cost of the property renewed or replaced.

It is further expressly provided that the term "property additions", anything hereinbefore contrary notwithstanding, shall not include

(5) any of the properties owned by the Company on or before the date of the execution and delivery of this Indenture except to the extent expressly permitted by the foregoing subdivision (1);

(6) leases or easements or other rights of the Company to use real estate, which are of limited duration, unless (in the case of the Company) the term of such lease, easement or other right shall extend beyond the date of the maturity of the last maturing series of Bonds under Section 4.04 or for at the time of any application for authentication and delivery of Bonds under Section 4.05; or withdrawal of money in respect of property additions under Section 4.08, or unless (in the case of any subsidiary) such term shall extend beyond the date of the maturity of the last maturing series of Bonds outstanding or applied for at the date of deposit with the Corporate Trustee hereunder of subsidiary first mortgage bonds of such subsidiary on the basis of which authentication and delivery of Bonds under this Indenture shall be applied for under the provisions of Section 4.05; or

(7) any property or assets acquired through or represented by expenditures chargeable by the Company or a subsidiary, as the case may be, to operating expenses and/or maintenance under recognized accounting practices.

In case any property additions of a subsidiary shall be transferred to the Company, together with all other fixed properties of such subsidiary, such transaction shall not constitute an acquisition of property additions by the Company, except as to property additions of such subsidiary so transferred and then only to the extent, if any, by which the cost to such subsidiary or fair value of the fixed properties so transferred, whichever shall be the lesser, shall exceed 142-6/7 per cent of the principal amount of the subsidiary first mortgage bonds of such subsidiary then outstanding. In case any property additions of a subsidiary shall be transferred, together with all other fixed property of such subsidiary, to another subsidiary, such transaction shall not constitute an acquisition of property additions by the transferee, except as to property additions of the transferor and then only to the extent, if any, by which the cost to the transferor or fair value of the fixed properties so transferred, whichever shall be the lesser, shall exceed 142-6/7 per cent of the principal amount of the subsidiary first mortgage bonds of such transferor then outstanding.

The predecessors in title hereinafter referred to of the Company are:

The Consolidated Ice Company, a Louisiana corporation,  
 Monroe Ice Company, Inc., a Louisiana corporation,  
 Consumers Ice & Storage Company, Incorporated, a Louisiana corporation,  
 Shreveport Ice & Brewing Company, a Louisiana corporation,  
 Angelo Ice Company, a Texas corporation,  
 Kins Ice Company, a Texas corporation,  
 Arlington Ice Company, a Texas corporation,  
 Polytechnic Ice Company, a Texas corporation,  
 The Mission Ice Company, a Texas corporation,  
 The Home Ice Company, a Texas corporation,  
 The Lone Star Ice Company, a Texas corporation,  
 L. L. Stephenson, of San Antonio, Texas,  
 Mrs. Ida S. Stephenson, of San Antonio, Texas,  
 L. L. Stephenson, Jr., of San Antonio, Texas,  
 Tennessee Oak Flooring Company, a Delaware corporation,  
 Standard Ice Company, a Delaware corporation,  
 Community Ice & Utilities Company, a Delaware corporation,  
 Princeton Ice Company, a West Virginia corporation,  
 Bluefield Ice & Coal Storage Company, a West Virginia corporation,  
 Bristol Coal & Ice Company, a Virginia corporation,  
 Watauga Bottling Works, a Tennessee corporation,  
 Elizabethton Ice & Coal Company, a Tennessee corporation,  
 Home Ice Company, a Tennessee corporation,  
 W. J. Cotter, of Chattanooga, Tennessee,  
 A. B. Pounds, of Concord, North Carolina,  
 Electric Ice Company, a North Carolina corporation,  
 Peoples Ice Company, a Georgia corporation,  
 Kaye Ice Company, a Georgia corporation,  
 Frank Kaye, of Atlanta, Georgia,  
 C. M. Walbert, and Ethel S. Walbert, of Oklahoma City, Okla.,  
 Stanley Walbert and Edna D. Walbert, of Columbus, Kansas,  
 The Griffin Ice Company, a Kansas corporation