

"wholly-owned Subsidiary" shall mean any Subsidiary all of whose outstanding stock of all classes (other than directors' and resident stockholders' qualifying shares) at the time is owned, directly or indirectly, by the Company and or by one or more of its wholly-owned Subsidiaries.

§ 1.02. **TRUTH AND ACCURACY OF CERTIFICATES.** The truth, at the time, of the facts and opinions stated in the documents delivered to the Mortgagee in respect of any Application shall in each and every such case be conditions precedent to the right of the Company to have such Application granted. The Mortgagee in its discretion may, but shall not be required to, make such independent inquiry or investigation as it may deem proper into the truth and accuracy of the matters evidenced by any such document, and unless satisfied of the truth and accuracy of the matters stated in such documents, it shall be under no obligation to accept such evidence of compliance; *provided*, that such acceptance will not be unreasonably withheld. The reasonable expenses of such inquiry or investigation shall be paid by the Company, or, if paid by the Mortgagee, shall be repaid by the Company upon demand, with interest at the rate of ten and seven-eighths percent (10 $\frac{7}{8}$ %) per annum, and until such repayment shall be secured under the Indenture, in priority to the Notes.

§ 1.03. **CROSS REFERENCES.** All references herein to "Articles" and other subdivisions are to the corresponding Articles or other subdivisions of the Indenture; references by the symbol "§" are to corresponding Sections of the Indenture; and the words "herein", "hereof", "hereby", "hereunder", "hereinbefore" and "hereinafter" and other words of similar purport refer to the Indenture generally and not to any particular Article, Section or other subdivision hereof.

ARTICLE II

FORM, EXECUTION, DELIVERY OF NOTES

§ 2.01. **EXECUTION.** All Notes to be secured hereby shall be signed by the President or a Vice President of the Company.

§ 2.02. **REGISTRATION, EXCHANGE AND TRANSFER; DATING OF NOTES; WHO TREATED AS OWNER.** The Company shall keep or cause to be