

after set forth:

(a) The term "Subsidiary or Wholly-Owned Subsidiary" means a corporation all of whose outstanding stock (of every class and having whatever rights) other than Directors' qualifying shares, if required, are at the time owned by the Company or by one or more of its Wholly-Owned Subsidiaries or one or more of their Wholly-Owned Subsidiaries.

(b) The term "Indebtedness" means (i) all indebtedness, obligations and liabilities which in accordance with good accounting practice would appear on the liability side of a balance sheet as at the date of which Indebtedness is to be determined, (ii) all indebtedness, obligations and liabilities secured by any mortgage, pledge or lien existing on property owned subject thereto, whether or not such indebtedness, obligations or liabilities have been assumed, and (iii) all guarantees (whether by discount or otherwise), endorsements (other than for collection or deposit in the regular course of business) and other contingent obligations to purchase or otherwise acquire or become liable upon or in respect of any indebtedness, obligation or liability of others.

(c) The term "Long Term Debt" means all Indebtedness maturing one year or more from the date of the creation thereof or renewable or extendible by the terms thereof, at the opinion of the debtor, to a date one year or more from the date of the creation thereof.

(d) The term "Consolidated Current Assets of the Company and its Subsidiaries" means cash, currently collectible trade accounts receivable less a suitable reserve for bad debts, and regular inventories valued at not more than the lesser of cost or market value.

(e) The term "Consolidated Current Liabilities of the Company and its Subsidiaries" means all items appearing on the liability side of the Consolidated Balance Sheet except capital stock, surplus, the long-term portion of any purchase money obligations outstanding, and the long-term portion of this issue