

Variable, whose principal business is the production, supply, transportation or distribution of gas, all of the outstanding capital stock of which (other than directors' qualifying shares, if any) is owned by the Company and in which there has been invested by the Company more than \$100,000, and any corporation (other than the Company) successor to any such subsidiary. The term "subsidiary" shall not include, however, (a) El Paso Natural Gas Building Company, (b) any corporation, all of the outstanding capital stock (other than directors' qualifying shares, if any) of which is owned by the Company, if 80% or more of the capital stock of such corporation outstanding at the time the Company first became the owner of all the outstanding capital stock of such corporation (other than directors' qualifying shares, if any) was acquired by the Company solely through the issuance in exchange therefor of shares of stock of the Company of any class or classes and/or through the application of proceeds of the substantially simultaneous sale by the Company of shares of its stock of any class or classes, (c) any corporation substantially all of whose physical assets (other than cash, securities, accounts receivable and other choses in action and office furniture and equipment and other similar personal property) are located in any country or countries other than the United States of America, or (d) any corporation successor to any corporation described in clause (a), clause (b) or clause (c) of this sentence, which prior to such succession was not a subsidiary as herein defined.

The term "controlled corporation" means any corporation (other than a subsidiary) at least 50% of the shares of which at the time outstanding having voting power for the election of not less than a majority of the board of directors, either at all times or only so long as no senior class of stock has such power because of the happening of any contingency, is owned directly or indirectly by the Company and/or one or more of its subsidiaries or controlled corporations.

SECTION 1.03. The term "Trustees" means Manufacturers Trust Company and A. F. Keuthen, the parties of the second part hereto, and their successors in the trust pursuant to the provisions of Article Eleven. The term "Corporate Trustee" means said Manufacturers