

Trust dated as of December 1, 1933 (which, together with all instruments supplemental thereto is herein called the "Indenture"), executed by the Company to Central Hanover Bank and Trust Company and Commerce Trust Company, a corporation of the State of Missouri, as Trustees, to which Indenture reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the holders of said Bonds and the annexed coupons and of the Trustees and of the Company in respect of such security, and the terms and conditions upon which said Bonds are and are to be issued and secured. As provided in, and to the extent permitted by, said Indenture, the rights and obligations of the Company and of the holders of said Bonds and coupons may be changed and modified with the consent of the Company by the affirmative vote of the holders of at least 75% in principal amount of the Bonds then outstanding (excluding Bonds disqualified from voting by reason of the Company's interest therein as provided in said Indenture); provided, however, that without the consent of the holder hereof no such change or modification shall permit the reduction of the principal or the extension of the maturity of the principal of this Bond or the reduction in the rate of interest hereon or any other modification of the terms of payment of such principal or interest. As provided in said Indenture, said Bonds are issuable in series, which may vary as in said Indenture provided or permitted. This Bond is one of a series of Bonds entitled "First Mortgage Pipeline Bonds, 3 1/4% Series due 1968".

The Bonds of this series are subject to redemption prior to maturity, at a whole at any time or in part from time to time, upon at least 30 days' prior notice, at the option of the Company, all as more fully provided in said Indenture, at the following percentages of the principal amounts thereof,

during the respective twelve months' periods beginning January 15 in each of the following years:

Beginning January 15	Percentage	Beginning January 15	Percentage
1948	104.75	1953	102.25
1949	103.75	1959	102.00
1950	103.50	1960	101.75
1951	103.50	1961	101.50
1952	103.25	1962	101.25
1953	103.25	1963	101.00
1954	103.00	1964	100.75
1955	103.00	1965	100.50
1956	102.75	1966	100.25
1957	102.50	1967	100.00

together in each case with accrued interest to the date fixed for redemption.

The Bonds of this series are entitled to the benefit of the Sinking Fund provided for in said Indenture and in the manner and to the extent provided in said Indenture, any one or more of the Bonds of this series are subject to redemption through the operation of said Sinking Fund on January 15, 1954, or any subsequent January 15 prior to maturity, upon similar notice, at the following percentages of the principal amount thereof in each of the following years:

Year	Percentage	Year	Percentage
1954	100.59	1961	100.30
1955	100.55	1962	100.26
1956	100.52	1963	100.21
1957	100.48	1964	100.16
1958	100.43	1965	100.11
1959	100.39	1966	100.06
1960	100.35	1967	100.00

together in each case with accrued interest to the date fixed for redemption.

Interest shall cease to accrue on this Bond if it is called for redemption and payment of the redemption price is

duly provided by the Company as specified in said Indenture, from and after the date fixed for redemption.

If an event of default, as defined in said Indenture, shall occur, the principal of this Bond may become or be declared due and payable, in the manner and with the effect provided in said Indenture.

This Bond is transferable by delivery unless registered as to principal in the name of the holder on books of the Company, to be kept for such purpose at the office or agency of the Company in the Borough of Manhattan, The City of New York, such registration being noted hereon. After such registration, no transfer hereof shall be valid unless made upon said books by the registered owner in person or by attorney authorized in writing and similarly noted hereon; but this Bond may be discharged from registration by being, in like manner, transferred to bearer, and thereupon transferability by delivery shall be restored, but again and from time to time this Bond may be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons for interest hereto annexed, which shall always continue to be payable to bearer and to be transferable by delivery merely, and payment to the bearer thereof shall fully discharge the Company in respect of the interest therein mentioned, whether or not this Bond be registered as to principal.

The holder of this Bond, at his option, may surrender the same, alone or with other Bonds of the same series, with all unmatured coupons attached thereto, to Central Hanover Bank and Trust Company, or its successor as a Trustee under said Indenture, for cancellation and exchange for one or more fully registered Bonds without coupons, of the same aggregate principal amount and of the same series, of authorized denominations, which fully registered Bond or Bonds without coupons may in turn be re-exchanged for a coupon Bond or Bonds of the same aggregate principal amount and of the same series, of authorized denominations, all as provided in said Indenture. Upon each such exchange and re-exchange the Company may require the payment of charges as in said Indenture prescribed.

No recourse shall be had for the payment of the principal or the interest on this Bond, or for any claim based hereon or otherwise in respect hereof or of said Indenture, against any incorporator, stockholder, director or officer, past, present or future, of the Company or of any predecessor or successor corporation, either directly or through the Company or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise howsoever, all such liability being, by the acceptance hereof and as a part of the consideration for the issuance hereof, expressly waived and released by every holder hereof, as more fully provided in said Indenture; provided, however, that nothing herein or in said Indenture contained shall be taken to prevent recourse to and the enforcement of the liability, if any, of any shareholder or any stockholder or subscriber to capital stock upon or in respect of shares of capital stock not fully paid up.

Neither this Bond nor any of the annexed interest coupons shall be valid or become obligatory for any purpose, until the certificate hereon shall have been signed by Central Hanover Bank and Trust Company, or its successor as a Trustee under said Indenture.

In WITNESS WHEREOF, the Company has caused this Bond to be signed in its name by its President or one of its Vice Presidents, and its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries, and coupons for said interest bearing the facsimile signature of its Treasurer to be hereunto attached.

Dated January 15, 1948.

CITIES SERVICE GAS COMPANY,

Attest:

By

President.