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its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries.

Dated _____

CITIES SERVICE GAS COMPANY,

By _____

Attest: _____ President.

Secretary.

[FORM OF NEW YORK TRUSTEE'S CERTIFICATE]

This is one of the Bonds described in the within mentioned Indenture.

CENTRAL HANOVER BANK AND TRUST COMPANY,
as Trustee,

By _____

Authorized Officer.

ARTICLE III.

Sinking Fund for Bonds of 1971 Series.

46. For the purpose of this Article, the fifteenth day of May, 1957, and the fifteenth day of May in each year thereafter to and including May 15, 1970, are called Sinking Fund Payment Dates. If any of said days is a Sunday or legal holiday or a day on which banking institutions are authorized pursuant to law to remain closed and on which the principal office of the New York Trustee is not open for business, then the next succeeding business day shall be deemed to be a Sinking Fund Payment Date.

47. The Company covenants and agrees that it will on May 15, 1957 create and, so long as any Bonds of 1971 Series are outstanding, maintain a Sinking Fund, and that it will pay to the New York Trustee

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on or before each Sinking Fund Payment Date, so long as any Bonds of 1971 Series are outstanding, for the account of such Sinking Fund, cash sufficient in amount to retire, at the principal amount thereof plus accrued interest thereon, the following respective principal amounts of Bonds of 1971 Series (each such payment being hereinafter called a "Sinking Fund Payment"):

May 15	Bonds to be retired by Sinking Fund
1957	\$ 500,000
1958	500,000
1959	500,000
1960	500,000
1961	500,000
1962	500,000
1963	500,000
1964	500,000
1965	500,000
1966	500,000
1967	500,000
1968	1,000,000
1969	1,500,000
1970	1,500,000

provided, however, that on any Sinking Fund Payment Date prior to January 15, 1968 no Sinking Fund Payment shall be made in excess of the limitations contained in Section 6 of Article Two of the Original Indenture as amended by the First Supplemental Indenture and Second Supplemental Indenture.

The Company may satisfy all or any part of its obligations as aforesaid by surrendering to the New York Trustee, on any Sinking Fund Payment Date, Bonds of 1971 Series then outstanding accompanied by all coupons (if any), appertaining thereto maturing on or after the Sinking Fund Payment Date; and the Company may utilize for such purpose Bonds of 1971 Series which it may have purchased or otherwise acquired at any time after the authentication and delivery thereof.

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48. All cash paid by the Company to the New York Trustee pursuant to the provisions of this Article (hereinafter referred to as "Sinking Fund Cash") shall forthwith, upon the payment thereof, be deemed and treated as Bonded Cash and shall be applied to the retirement of Bonds of 1971 Series as provided in §11 of this Article; provided, however, that when all Bonds of 1965 Series, Bonds of 1968 Series and Bonds of 1971 Series cease to be outstanding, all Sinking Fund Cash theretofore paid to the Trustee pursuant to this Article shall no longer be regarded as if it were or ever had been Bonded Cash for the purposes of Section 35C(2)(a) of the Original Indenture.

Provided, however, that on any Sinking Fund Payment Date no more Bonds of 1971 Series may be retired by call for redemption for Sinking Fund purposes than the principal amount of Bonds of 1971 Series required to be retired by the provisions of §7 of this Article.

49. On each Sinking Fund Payment Date the redemption price applicable to Bonds of 1971 Series to be purchased or redeemed under the provisions of this Article shall be the principal amount thereof together with accrued interest to the date fixed for redemption.

510. Sixty (60) days prior to each Sinking Fund Payment Date, the Company will deliver a statement to the New York Trustee stating

(1) the aggregate principal amount and serial numbers of Bonds of 1971 Series the Company intends to surrender on the next succeeding Sinking Fund Payment Date in satisfaction of its Sinking Fund obligation pursuant to this Article,

(2) the balance resulting from deducting from the principal amount of Bonds of 1971 Series required to be retired on the next succeeding Sinking Fund Payment Date, the aggregate principal amount of Bonds of 1971 Series which the Company states will be surrendered on such date, and

(3) the total principal amount of Registered Bonds of 1971 Series outstanding; the names of the registered owners of such

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Bonds, the principal amount of such Bonds owned by each such registered owner and the total principal amount of unregistered coupon Bonds outstanding.

Such statement is in this Article referred to as "the statement", and the amount shown in item (2) of said statement (being the balance resulting from the deduction made in said statement) is hereinafter in this Article referred to as the "amount set forth in the statement".

511. It shall be the duty of the New York Trustee to apply the Sinking Fund Cash to the purchase or redemption of Bonds of 1971 Series, at prices not exceeding the principal amount thereof plus accrued interest thereon, in a principal amount equal to the amount set forth in the statement. Such purchase or redemption shall be carried out as follows:

(a) If, on the date (hereinafter referred to as the "60 day determination date") which is 60 days prior to the Sinking Fund Payment Date on which redemption is to be effected, all Bonds of 1971 Series are registered Bonds without coupons or coupon Bonds registered as to principal (hereinafter and hereinafter in this Article collectively referred to as "Registered Bonds") the New York Trustee shall apply the Sinking Fund Cash to the redemption of Bonds of 1971 Series pro rata among the registered owners of such Bonds in the ratio which the principal amount of such Bonds held by each registered owner on the 60 day determination date, bears to the total principal amount of Bonds of 1971 Series outstanding on the 60 day determination date; provided, however, that the portion of the principal amount of each Registered Bond to be redeemed shall be \$1,000 or a multiple thereof. The New York Trustee in its uncontrolled discretion shall determine the pro rata allocation among the several registered owners of the principal amount of the Bonds of 1971 Series to be then redeemed and the numbers of the coupon Bonds reserved therefor. The New York Trustee shall promptly advise the Company as to the allocation so made by it.

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