Excepted Property

There is, however, expressly excepted and excluded from the lien and operation of the Indenture, and none of the foregoing described property shall be intended to include, any property of a character embraced within the definition of the term "Excepted Property" as the same is defined in the Original Indenture as amended.

The Company may, however, subject to the lien and operation of the Indenture all or any part of the Excepted Property.

To HAVE AND TO HOLD the same, together with all the appurtenances thereunto appertaining, unto the Trustees and their successors and assigns, forever;

SUBJECT, HOWEVER, to the reservations, exceptions, limitations and restrictions contained in the several deeds, leases, servitudes, contracts or other instruments through which the Company acquired and/or claims title to and/or enjoys the use of the aforesaid properties; and SUBJECT ALSO to Permitted Encumbrances (as defined in Paragraph F of Section 24 of the Original Indenture as amended), and, as to any property acquired by the Company after the date of the Original Indenture, to any liens thereon existing, and to any liens for unpaid portions of the purchase money placed thereon, at the time of such acquisition;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate use, benefit, security and protection of those who from time to time shall hold the Bonds and coupons authenticated and delivered under the Indenture and duly issued by the Company, without any discrimination, preference or priority of any one Bond or coupon over any other by reason of priority in the time of issue, sale or negotiation thereof or otherwise, except as provided in Section 69 of the Original Indenture, so that, subject to said provisions, each and all of said Bonds and coupons shall have the same right, lien and privilege under the Indenture and shall be equally secured hereby (except as any sinking, amortization, improvement or other fund, established in accordance with the provisions of the Indenture, may afford additional security for the Bonds of any particular series); and in trust for enforcing payment of the principal of the Bonds and of the interest thereon, according to the tenor, purport and effect of the Bonds and coupons and of the Indenture, and for enforcing the terms, provisions, covenants and stipulations in the Indenture and in the Bonds set forth;

UPON CONDITION that, until the happening of an Event of Default (as defined in Section 105 of the Original Indenture as amended), the Company shall be suffered and permitted to possess, use and enjoy the property rights, privileges and franchises conveyed herein, and to receive and use the rents, issues, income, revenues, earnings and profits therefrom;

AND UPON THE TRUSTS, USES AND PURPOSES and subject to the covenants, agreements and conditions in the Indenture set forth and declared.

§ 1. The terms "Indenture", "the Indenture" and "this Indenture" shall mean and include the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture and this Supplemental Indenture and any other indentures supplemental to the Original Indenture.

§ 2. This Supplemental Indenture does not create or secure any new or further indebtedness or obligation of the Company.

§ 3. The Trustees hereby accept the trusts hereby declared and provided and agree to perform the same upon the terms and conditions in the Original Indenture as amended set forth and upon the following terms and conditions:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals of fact contained herein, all of which recitals are made by the Company solely.

§ 4. This Supplemental Indenture may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, CITIES SERVICE GAS COMPANY has caused this Supplemental Indenture to be signed in its corporate name by its