

1966, Dollars, and to pay to the registered owner hereof interest thereon from the date hereof semi-annually on each first day of June and first day of December thereafter until payment of the principal hereof becomes due, at the rate of three per cent. per annum, and on any overdue principal and (to the extent legally enforceable) on any overdue instalment of interest, at the rate of six per cent. per annum. Both principal of and interest on this bond will be paid in coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts, at the principal office of Manufacturers Trust Company, or its successor in trust under the Indenture of Mortgage hereinafter mentioned (hereinafter called the Corporate Trustee), in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds of a series designated as the 3% Series due 1966, of an authorized issue of bonds of the Company, known as First Mortgage Pipe Line Bonds (hereinafter called the bonds), limited in aggregate principal amount as provided in said Indenture of Mortgage, all issued or issuable in one or more series (which several series may be of different denominations, dates, maturities and tenor) under and equally secured by an Indenture of Mortgage (hereinafter called the Mortgage) dated as of June 1, 1946, duly executed and delivered by the Company to Manufacturers Trust Company and Frederick E. Lober, as Trustees, to which Mortgage and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the bonds and of the Trustees in respect thereof, and the terms and conditions upon which the bonds are, and are to be, secured.

The bonds of the 3% Series due 1966 are subject to redemption prior to maturity (a) at the option of the Company or by the application of certain funds held by the Corporate Trustee, as a whole at any time or in part from time to time during the respective periods set forth in the tabulation below, upon payment of the applicable percentage of the principal amount thereof set forth in said tabulation under the heading "Regular Redemption Price" and (b) on any interest payment date by operation of the Sinking Fund provided for in the Mortgage, upon payment of the applicable percentage of the principal amount thereof set forth in said tabulation under the heading "Sinking Fund Redemption Price":