

registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon, and for all other purposes, and neither the Company, the Trustee nor any paying agent nor any registrar shall be affected by any notice or writing to the contrary.

In case a default as defined in the Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in the Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the extent and as provided in the Indenture, waive past defaults thereunder and the consequences of such defaults.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, stockholder, director or officer, past, present or future, as such, of the Company, or of any predecessor or successor corporation, either directly or through the Company, or such predecessor or successor corporation, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and as provided in the Indenture.

This bond shall not become or be valid or obligatory for any purpose until the authentication certificate hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, PIEDMONT NATURAL GAS COMPANY, INC., has caused these presents to be executed in its name and behalf by its President or a Vice President and its corporate seal or a facsimile thereof, to be affixed hereto, and attested by its Secretary or an Assistant Secretary.

Dated as of

PIEDMONT NATURAL GAS COMPANY, INC.,

Attest:

By

President.

Secretary.

[FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE]

This bond is one of the bonds, of the series designated therein, referred to in the within-mentioned Indenture.

J. P. MORGAN & Co. INCORPORATED,
as Trustee,

By

Authorized Officer.

WHEREAS, the execution of this Second Supplemental Indenture has been consented to and authorized by the stockholders of the Company and all other acts and proceedings required by law and by the Certificate of Incorporation and By-Laws of the Company necessary to make the Bonds of the 1977 Series, when executed by the Company and authenticated and delivered by the Trustee and duly issued, the valid, binding and legal obligations of the Company, and to constitute the Original Indenture, as heretofore supplemented and as hereby supplemented and modified, a valid, binding and legal instrument for the security of the Bonds issued and to be issued under the Original Indenture and this and other indentures supplemental thereto, have been done and performed;

Now, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH:

That to secure the payment of the principal of and interest and premium, if any, on such Bonds as may at any time be issued and outstanding under the Indenture according to their tenor and effect, and the due performance of the covenants, agreements and provisions in the Bonds and in the Indenture contained, and to declare the terms and conditions upon which the Bonds of the 1977 Series are to be issued and secured, the Company, party of the first part, in consideration of the premises and of the purchase and acceptance of said Bonds by the holders thereof, and of the sum of One Dollar, lawful money of the United States of America to it duly paid by the Trustee at or before the ensueing and delivery of these presents, the receipt whereof is hereby acknowledged, and by way of