

funding Mortgage Bonds, 4½% Series Due 1992" (herein called "bonds of the 1992 Series"), and bonds of a series known as the "First and Refunding Mortgage Bonds, 4¼% Series B Due 1992" (herein called "bonds of the 1992 Series B"), have heretofore been issued and are the only bonds now outstanding under the original indenture; and

WHEREAS the Company has duly executed and delivered a supplemental indenture dated as of June 15, 1964, to Morgan Guaranty Trust Company of New York, as Trustee, for the purpose of evidencing the succession by merger of the Company to the New Jersey Company and the assumption by the Company of the covenants and conditions of the New Jersey Company in the original indenture and to enable the Company to have and exercise the powers and rights of the New Jersey Company under the original indenture in accordance with the terms thereof and whereby the Company assumed and agreed to pay duly and punctually the principal of and interest on the bonds issued under the original indenture in accordance with the provisions of said bonds and the coupons thereto appertaining and the original indenture, and agreed to perform and fulfill all the terms, covenants and conditions of the original indenture binding upon the New Jersey Company; and

WHEREAS the Company desires to create under the original indenture, as supplemented by this supplemental indenture, a new series of bonds, to be known as its "First and Refunding Mortgage Bonds, 4½% Series Due 1995", and to determine the terms and provisions and the form of the bonds of such series; and

WHEREAS for the purposes hereinabove recited, and pursuant to due corporate action, the Company has duly determined to execute and deliver to the Trustee a supplemental indenture in the form hereof supplementing the original indenture (the original indenture, as hereby supplemented, being sometimes hereinafter referred to as the "Indenture"); and

WHEREAS all conditions and requirements necessary to make this supplemental indenture a valid, legal and binding instrument in accordance with its terms have been done and performed, and the execution and delivery hereof have been in all respects duly authorized:

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in consideration of the premises and of the sum of one dollar duly paid by the Company to the Trustee at or before the execution and delivery of these presents, the receipt whereof is hereby acknowledged, the Company hereby covenants and agrees with the Trustee and its successors in the trust under the Indenture as follows:

PART ONE.

Bonds of the 4½% Series Due 1995.

SECTION 1. The Company hereby creates a new series of bonds to be issued under and secured by the Indenture and known as its First and Refunding Mortgage Bonds, 4½% Series Due 1995 (herein called "bonds of the 1995 Series"), and the Company hereby establishes, determines and fixes the terms and provisions of the bonds of the 1995 Series as hereinafter in this Part One set forth.

SECTION 2. All bonds of the 1995 Series shall be dated as of the day of authentication (except that if any bond shall be authenticated on any interest payment date, it shall be dated as of the day following) and shall bear interest from the interest payment date next preceding such date of authentication to which interest on outstanding bonds has been paid, except that bonds authenticated before August 1, 1965, shall be dated and bear interest from February 1, 1965. All bonds of the 1995 Series shall mature as to principal on February 1, 1995, and shall bear interest at the rate of 4½% per annum, payable semi-annually on the first days of August and February in each year.

SECTION 3. The bonds of the 1995 Series shall be fully registered bonds, without coupons, in denominations of one thousand dollars (\$1,000) or any multiple of one thousand dollars (\$1,000), all such bonds to be numbered consecutively, beginning with the number LR-1, and shall be transferable and exchangeable as provided in the form of bond set forth in this supplemental indenture. The provisions of § 1.19 and any other provision in the Indenture in respect of coupon bonds or reservation of coupon bond numbers shall be inapplicable to the bonds of the 1995 Series.