

COMPARED

Whereas, the conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms, have been done, performed and fulfilled and the execution and delivery hereof have been in all respects duly authorized;

Now, Therefore, This Indenture Witnesseth:

That the Company and the Subsidiary Mortgagor Companies for themselves and their successors in consideration of the premises and of One Dollar, to each of them duly paid, by the parties at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and of other good and valuable considerations, hereby jointly and severally covenant and agree to and with the Trustee and its successors in trust under the Original Indenture, as follows:

ARTICLE 1.

FORM AND EXECUTION OF BONDS.

SECTION 1. A new series of Bonds to be issued under and secured by the Original Indenture is hereby created to be designated as the First and Refunding Convertible Three Year 7% Gold Bonds, Series B, of the Company (hereinafter called the Bonds of Series B) The amount of Bonds of Series B which may be executed by the Company and which may be authenticated by the Trustee is limited so that the greatest principal amount of Series B Bonds which may be executed and authenticated shall not exceed \$10,000,000, except as otherwise provided in the Original Indenture or this Supplemental Indenture. Bonds of Series B shall be due May 1, 1926 and shall bear interest at the rate of 7% per annum, payable semi-annually on the first day of November and the first day of May in each year. Bonds of Series B shall consist of coupon Bonds, to be issued in the denominations of \$100 \$500 and \$1,000 and to be numbered respectively from C1, D1 and M1 consecutively upwards; and of registered Bonds without coupons, to be issued in denominations of \$1,000 numbered consecutively from RM1 upwards and of any multiple of \$1,000, each such denomination being numbered consecutively from R1 upwards, with such appropriate distinctive letter prefixed to the number as the officers of the Company may select for each denomination above \$1,000.

Coupon Bonds of Series B shall be dated May 1, 1923, irrespective of the date of the actual execution and issue thereof, and shall bear interest from such date.

Upon the issuance of any registered Bond of Series B there shall, if required by the rule of the New York Stock Exchange, be reserved unissued a coupon Bond or Bonds of the same series of a like aggregate principal amount, and the serial numbers of the coupon Bond or Bonds so reserved unissued shall be endorsed on such registered Bond in such appropriate manner as may be necessary or advisable to comply with the rules of the New York Stock Exchange.

SECTION 2. The Bonds of Series B and the coupons to be annexed thereto and the Trustee's Certificate to be endorsed thereon are to be substantially in the following forms respectively with appropriate insertions, omissions and variations as in the Supplemental Indenture provided, to wit:

(form of coupon bond)

No. UNITED STATES OF AMERICA
STATE OF DELAWARE
EMPIRE GAS AND FUEL COMPANY

First and Refunding Convertible Three Year 7% Gold Bond Series B.