

## GRANTING CLAUSE FIRST

All of the property, real, personal and mixed, including easements and rights of way, now owned by the Company and situated in the Counties of Forsyth, Guilford, Alamance, Rowan, Surry and Mecklenburg in the State of North Carolina and in the Counties of Greenville, Spartanburg and Chester in the State of South Carolina (except the property hereinafter specifically excepted from the lien hereof) and also all of the property, real, personal and mixed, hereafter acquired by the Company wherever situated (except the property hereinafter specifically excepted from the lien hereof), including, (both as to property now owned and property hereafter acquired) without in any wise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Indenture:

I. All those certain pieces, parcels or lots of land situate, lying and being on East Third Street in the City of Winston-Salem, Forsyth County, State of North Carolina, described as follows, to wit:

(a) BEGINNING at a point on the southerly side of East Third Street at the easterly right of way line of Norfolk and Western Railway Company and running thence along the southerly side of East Third Street N. 85—27 E., 208.0 ft. to an alley known as "Gas Alley"; thence along said alley S. 1—12 W., 172.4 ft.; thence S. 88—43 W., 226.0 ft. to the easterly right of way line of Norfolk and Western Railway Company; thence along said right of way line N. 8—45 E., 162.0 ft. to the point of BEGINNING, containing 0.66 acre, more or less, and being shown on plat entitled "Duke Power Company—Winston-Salem Gas Plant Property" decided to Piedmont Natural Gas Company, Inc. —Winston-Salem, N. C.; dated April 3, 1951, being composed of the lots described in deed from F. C. Spencer and wife to North Carolina Public Service Company dated April 1, 1927, recorded in the public registry for Forsyth County in Book 276 at page 221, and in deed from Walter Alexander Shore to Winston-Salem Gas Company dated July 2, 1912, recorded in the public registry for said County in Book 117 at page 24.

(b) BEGINNING at a point on the northerly side of East Third Street at the easterly right of way line of Norfolk and

WHEREAS, all acts and proceedings required by law and by the Certificate of Incorporation and By-laws of the Company necessary to make the Bonds 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 this Indenture a valid and binding mortgage and deed of trust for the security of the Bonds, in accordance with its and their terms, have been done and performed;

## NOW, THEREFORE, THIS 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 this Indenture, according to their tenor and effect, and the due performance of the covenants, agreements and provisions herein and in the Bonds contained, and to declare the terms and conditions upon which Bonds 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 sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has executed and delivered these presents and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, confirmed, assigned, transferred, mortgaged, pledged and set over, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, confirm, assign, transfer, mortgage, pledge and set over, unto the Trustee, party of the second part, and to its successors in the trust hereby created and assigned forever, all of the property, real, personal and mixed, now owned by the Company (except the property expressly excepted from the lien hereof) and also all of the property, real, personal and mixed, hereafter acquired by the Company wherever situated (except the property hereinafter expressly excepted from the lien hereof), including, (both as to property now owned and property hereafter acquired) without in any wise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Indenture: