

WHEREAS, coupon Bonds of the 1987 Series, the coupons appearing thereto, the registered Bonds without coupons of said Series and the Trustee's authentication certificate on all Bonds are to be substantially in the forms following, respectively:

[FORM OF COUPON BOND OF THE 1987 SERIES]

No. M. *2* \$1,000.

PIEDMONT NATURAL GAS COMPANY, INC.

Incorporated under the laws of the State of New York

First Mortgage Bond

5 1/8% Series due 1987

Due March 1, 1987

PIEDMONT NATURAL GAS COMPANY, INC., a New York corporation (herein referred to as the "Company"), for value received hereby promises to pay to the bearer or, in case this bond be registered as to principal, then to the registered owner hereof, on March 1, 1987 at the principal office in the Borough of Manhattan, City and State of New York, of MORGAN GUARANTY TRUST COMPANY OF NEW YORK (hereinafter with its successor in the trusts under the Indenture mentioned below sometimes called the "Trustee"), or at the principal office of its successor in said trusts, the principal sum of One Thousand Dollars (\$1,000) in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and to pay interest on said principal sum from the date hereof, at the rate of five and one-eighth per centum (5 1/8%) per annum, at said office, in like coin or currency, semi-annually on the 1st day of September and on the 1st day of March in each year until the said principal sum shall have become due and payable and thereafter, if default be made in the payment of such principal sum, at the rate of six per centum (6%) per annum until said principal sum shall be paid, but until the maturity hereof only

upon presentation and surrender of the respective coupons attached hereto as they shall severally mature. Any overdue installment of interest on this bond shall bear interest at the rate of six per centum (6%) per annum to the extent that payment of such interest on overdue interest is enforceable under applicable law.

[The following eight paragraphs are those referred to in the form of registered bond without coupons below.]

This bond is one of an authorized issue of bonds of the Company, known as First Mortgage Bonds, of an unlimited permitted aggregate principal amount all issued, and to be issued in series, from time to time (this bond being one of the First Mortgage Bonds, 5 1/8% Series due 1987) under, and irrespective of the time of issue, equally secured (except in so far as any sinking fund, improvement fund or other fund established in accordance with the provisions of the Indenture may afford additional security for the bonds of any specific series) by a Mortgage and Deed of Trust dated as of March 1, 1951, as supplemented and modified by a First Supplemental Indenture dated as of October 1, 1951, a Second Supplemental Indenture dated as of July 1, 1952, a Third Supplemental Indenture dated as of November 1, 1953, a Fourth Supplemental Indenture dated as of October 15, 1955, a Fifth Supplemental Indenture dated as of May 1, 1956, a Sixth Supplemental Indenture dated as of July 1, 1957 and a Seventh Supplemental Indenture dated as of February 1, 1958 duly executed and delivered by the Company to J. P. Morgan & Co. Incorporated, as Trustee (which has been succeeded through merger, by Morgan Guaranty Trust Company of New York, hereinafter called the "Trustee") and an Eighth Supplemental Indenture dated as of May 1, 1960 and a Ninth Supplemental Indenture dated as of March 1, 1962 duly executed and delivered by the Company to the Trustee (all of which instruments are herein collectively called the "Indenture") to which Indenture reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the nature and extent of the security, and the rights, duties and immunities thereunder of the Trustee, and the rights of the holders of said bonds and of the Trustee and of the Company in respect of such security, and the limitations on such rights, and the terms upon which said bonds may be issued thereunder; but neither the foregoing reference to the Indenture, nor any provision of this bond or of the Indenture, shall affect or impair the obligation of the