

# NATIONAL FUEL GAS CO

## FORM S-4

(Securities Registration: Business Combination)

Filed 11/07/08

Address	6363 MAIN STREET WILLIAMSVILLE, NY 14221-5887
Telephone	716-857-7000
CIK	0000070145
Symbol	NFG
SIC Code	4924 - Natural Gas Distribution
Industry	Natural Gas Utilities
Sector	Utilities
Fiscal Year	09/30

**UNITED STATES SECURITIES AND EXCHANGE  
COMMISSION  
Washington, D.C. 20549  
FORM S-4**

**REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

**NATIONAL FUEL GAS COMPANY**

(Exact name of registrant as specified in its charter)

**New Jersey**  
(State or other jurisdiction  
of incorporation or organization)

**4924**  
(Primary Standard Industrial  
Classification Code Number)

**13-1086010**  
(I.R.S. Employer  
Identification Number)

**6363 Main Street  
Williamsville, New York 14221  
(716) 857-7000**  
(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

**DAVID F. SMITH**  
*President and Chief Executive Officer*  
**6363 Main Street  
Williamsville, New York 14221  
(716) 857-7000**

**MICHAEL F. FITZPATRICK, JR.,  
ESQ.**  
**DEWEY & LEBOEUF LLP  
1301 Avenue of the Americas  
New York, New York 10019  
(212) 259-8000**

(Name, address, including zip code, and telephone number,  
including area code, of agent for service)

**Approximate date of commencement of sale of the securities to the public:** As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

**CALCULATION OF REGISTRATION FEE**

**Proposed**

**Proposed**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Maximum Offering Price Per Note</b>	<b>Maximum Aggregate Offering Price (1)</b>	<b>Amount of Registration Fee</b>
6.50% Notes due 2018	\$300,000,000	100%	\$300,000,000	\$11,790

(1) Estimated pursuant to Rule 457(f) solely for purposes of calculating the registration fee.

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**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a) of the Securities Act of 1933, may determine.**

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The information in this preliminary prospectus is not complete and may be changed. National may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion Preliminary Prospectus dated November 7, 2008

**\$300,000,000**

**Offer to Exchange  
6.50% Notes due 2018  
which have been registered under the Securities Act of 1933  
for any and all outstanding  
6.50% Notes due 2018  
which have not been registered under the Securities Act of 1933 of**



## **National Fuel Gas Company**

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This exchange offer expires at 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, unless extended.

National Fuel Gas Company (“National”) is offering to exchange any and all of its outstanding \$300 million aggregate principal amount of unregistered 6.50% Notes due 2018 issued on April 11, 2008, which National refers to as its original notes, that are validly tendered and not validly withdrawn for an equal principal amount of National’s 6.50% Notes due 2018 that National has registered under the Securities Act of 1933, which National refers to as the new notes.

No public market exists for the original notes or the new notes. National does not intend to list the new notes on any securities exchange or to seek approval for quotation through any automated quotation system.

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The new notes will constitute National’s direct unsecured general obligations and will rank equally with all of National’s other senior, unsecured and unsubordinated debt from time to time outstanding.

**See “RISK FACTORS” beginning on page 9 for a discussion of the risks that holders should consider prior to making a decision to exchange original notes for new notes.**

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act of 1933. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. National has agreed that, for a period of one year after the expiration date of the exchange offer, National will make this prospectus available to any broker-dealer for use in connection with any such resale. See “Plan of Distribution.”

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is \_\_\_\_\_, 2008.

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**This prospectus incorporates by reference important business and financial information about National that is not included in or delivered with this document. Any statement made in this prospectus concerning the contents of any contract, agreement or other document is only a summary of the actual document. Each statement regarding a contract, agreement or other document is qualified in its entirety by reference to the actual document. Copies of this information are available without charge to any person to whom this prospectus is delivered, upon written or oral request. Written or oral requests should be directed to Paula M. Ciprich, Secretary, National Fuel Gas Company, 6363 Main Street, Williamsville, New York, New York 14221; telephone number (716) 857-7548. To obtain timely delivery, you must request the information no later than \_\_\_\_\_, 2008, which is five business days before the expiration date of this exchange offer.**

**This prospectus is part of a registration statement National has filed with the SEC. National is submitting this prospectus to holders of original notes so that you can consider exchanging the original notes for new notes. You should rely only on the information contained or incorporated by reference in this prospectus. National has not authorized anyone to provide you with additional or different information. If anyone provides you with additional or different information, you should not rely on it. National is not making an offer to exchange and issue the new notes in any jurisdiction where the offer or exchange is not permitted. You should assume that the information contained in this prospectus is accurate only as of the date on the front cover of this prospectus and that any information National has incorporated by reference is accurate only as of the date of the document incorporated by reference.**

## WHERE YOU CAN FIND MORE INFORMATION

National files annual, quarterly and other reports and information with the Securities Exchange Commission (the “SEC”) under File No. 001-03880. These SEC filings are available to the public over the Internet at the SEC’s website at <http://www.sec.gov>. You may also read and copy any of these SEC filings at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Information about National is also available on National’s website, [www.natfuel.com](http://www.natfuel.com). Other than any SEC filings incorporated by reference in this prospectus, the information available on National’s website is not part of this prospectus.

## INCORPORATION BY REFERENCE

National discloses important information to you by referring you to documents that it has filed with the SEC that are “incorporated by reference” in this prospectus. The information incorporated by reference is an important part of this prospectus. Information that National files in the future with the SEC will automatically update and supersede the information included in this prospectus and will also automatically update and supersede any information previously incorporated by reference. National incorporates by reference the documents listed below and any future filings it makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”), excluding information deemed furnished and not filed, until this offering is terminated:

- Annual Report on Form 10-K for the year ended September 30, 2007;
- Quarterly Reports on Form 10-Q for the quarters ended December 31, 2007, March 31, 2008 and June 30, 2008; and
- Current Reports on Form 8-K filed with the SEC on November 9, 2007 (dated November 8, 2007), November 9, 2007, November 13, 2007, December 12, 2007 (as amended on December 14, 2007), December 12, 2007, December 19, 2007, December 21, 2007, December 28, 2007, December 28, 2007 (dated December 21, 2007), January 2, 2008, January 24, 2008, February 26, 2008 (as amended on February 29, 2008), April 17, 2008, June 16, 2008, June 30, 2008, July 15, 2008, August 11, 2008 and September 29, 2008.

You may request a copy of these filings, at no cost, by writing or calling Paula M. Ciprich, Secretary, National Fuel Gas Company, 6363 Main Street, Williamsville, New York 14221; telephone number (716) 857-7548.

## DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained or incorporated by reference in this prospectus are forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other statements that are other than statements of historical facts. Words such as “anticipate,” “estimate,” “expect,” “forecast,” “intend,” “plan,” “predict,” “project,” “believe,” “seek,” “will,” “may,” and similar expressions, are forward-looking statements and accordingly involve risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. The forward-looking statements contained herein are based on various assumptions, many of which are based, in turn, upon further assumptions. National’s expectations, beliefs and projections are expressed in good faith and are believed by National to have a reasonable basis, including, without limitation, management’s examination of historical operating trends, data contained in National’s records and other data available from third parties, but there can be no assurance that management’s expectations, beliefs or projections will result or be achieved or accomplished. In addition to other factors and matters discussed elsewhere herein, the following are important factors that, in the view of National, could cause actual results to differ materially from those discussed in the forward-looking statements:

1. financial and economic conditions, including the availability of credit, and their effect on National’s ability to obtain financing on acceptable terms for working capital, capital expenditures and other investments;
2. occurrences affecting National’s ability to obtain financing under credit lines or other credit facilities or through the issuance of commercial paper, other short-term notes or debt or equity securities, including any downgrades in National’s credit ratings and changes in interest rates and other capital market conditions;
3. changes in economic conditions, including global, national or regional recessions, and their effect on the demand for, and customers’ ability to pay for, National’s products and services;
4. economic disruptions caused by terrorist activities, acts of war or major accidents;
5. changes in actuarial assumptions, the interest rate environment and the return on assets for National’s retirement plan and post-retirement benefit plans, which can affect future funding obligations and costs and plan liabilities;
6. changes in demographic patterns and weather conditions, including the occurrence of severe weather such as hurricanes;
7. changes in the availability and/or price of natural gas or oil and the effect of such changes on the accounting treatment of derivative financial instruments or the valuation of National’s natural gas and oil reserves;
8. uncertainty of oil and gas reserve estimates;
9. ability to successfully identify, drill for and produce economically viable natural gas and oil reserves, including shortages, delays or unavailability of equipment and services required in drilling operations;
10. significant changes from expectations in National’s actual production levels for natural gas or oil;
11. changes in the availability and/or price of derivative financial instruments;
12. changes in the price differentials between various types of oil;
13. inability to obtain new customers or retain existing ones;
14. significant changes in competitive factors affecting National;
15. changes in laws and regulations to which National is subject, including tax, environmental, safety and employment laws and regulations;
16. governmental/regulatory actions, initiatives and proceedings, including those involving acquisitions, financings, rate cases (which address, among other things, allowed rates of return,

requirements;

17. unanticipated impacts of restructuring initiatives in the natural gas and electric industries;
18. significant changes from expectations in actual capital expenditures and operating expenses and unanticipated project delays or changes in project costs or plans;
19. the nature and projected profitability of pending and potential projects and other investments, and the ability to obtain necessary governmental approvals and permits;
20. ability to successfully identify and finance acquisitions or other investments and ability to operate and integrate existing and any subsequently acquired business or properties;
21. impairments under the SEC's full cost ceiling test for natural gas and oil reserves;
22. changes in the market price of timber and the impact such changes might have on the types and quantity of timber harvested by National;
23. significant changes in tax rates or policies or in rates of inflation or interest;
24. significant changes in National's relationship with its employees or contractors and the potential adverse effects if labor disputes, grievances or shortages were to occur;
25. changes in accounting principles or the application of such principles to National;
26. the cost and effects of legal and administrative claims against National or activist shareholder campaigns to effect changes at National;
27. increasing health care costs and the resulting effect on health insurance premiums and on the obligation to provide post-retirement benefits; or
28. increasing costs of insurance, changes in coverage and the ability to obtain insurance.

For a discussion of these risks and other factors that could cause actual results to differ materially from results referred to in the forward-looking statements, see "Risk Factors." National disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date hereof.

## SUMMARY

This summary highlights selected information from this prospectus. This summary is not complete and does not contain all of the information you should consider prior to making a decision to exchange original notes for new notes. You should read all of the information contained or incorporated by reference in this prospectus carefully, including the "Risk Factor" section and the documents incorporated by reference in this prospectus.

### National Fuel Gas Company

National, incorporated in 1902, is a holding company organized under the laws of New Jersey. National is engaged in the business of owning and holding securities issued by its subsidiaries: Data-Track Account Services, Inc., Empire Pipeline, Inc., Highland Forest Resources, Inc., Horizon Energy Development, Inc., Horizon LFG, Inc., Horizon Power, Inc., Leidy Hub, Inc., National Fuel Gas Distribution Corporation, National Fuel Gas Supply Corporation, National Fuel Resources, Inc. and Seneca Resources Corporation.

National and its subsidiaries comprise a diversified energy company consisting of five major business segments:

- the Utility segment, which sells natural gas and provides natural gas transportation services through a local distribution system located in western New York and northwestern Pennsylvania;
- the Pipeline and Storage segment, which provides interstate and intrastate natural gas transportation and storage services;
- the Exploration and Production segment, which is engaged in the exploration for, and the development and purchase of, natural gas and oil reserves in California, the Appalachian region of the United States, Wyoming and the Gulf Coast region of Texas, Louisiana and Alabama;
- the Energy Marketing segment, which is engaged in the marketing of natural gas and the performance of energy management services for industrial, commercial, public authority and residential end-users in western and central New York and northwestern Pennsylvania; and
- the Timber segment, which engages in the marketing of timber, the operation of sawmills and the processing of timber.

National's other businesses are engaged in the purchase, sale and transportation of landfill gas, and the development or operation of mid-range independent power production facilities and landfill gas electric generation facilities.

National's principal executive offices are located at 6363 Main Street, Williamsville, New York 14221 and its telephone number is (716) 857-7000.

### Recent Developments

During the quarter ended September 30, 2008, National completed its previously announced plan to repurchase up to eight million shares of National's common stock. National's Board of Directors had authorized that repurchase plan on December 8, 2005.

On September 9, 2008, the Executive Committee of the Board of Directors authorized the repurchase of up to an additional two million shares of National's common stock. On September 24, 2008, the Company's Board of Directors ratified the September 9, 2008 action of the Executive Committee and authorized the repurchase of up to an additional six million shares of National's common stock (in addition to the two million shares authorized for repurchase on September 9, 2008). Repurchases may be made from time to time in the open market or through private transactions.

## Summary of the Exchange Offer

### The Exchange Offer

National is offering to exchange up to \$300,000,000 aggregate principal amount of National's new 6.50% notes due April 15, 2018 for up to \$300,000,000 aggregate principal amount of National's original 6.50% notes due April 15, 2018 which are currently outstanding. Original notes may only be exchanged in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. In order to be exchanged, an original bond must be properly tendered and accepted. All original notes that are validly tendered and not validly withdrawn will be exchanged.

### Expiration Date

5:00 p.m., New York City time, on , 2008 unless National extends the exchange offer.

### Resales Without Further Registration

Based on no-action letters issued by the staff of the SEC to third parties, National believes that the new notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act of 1933, as amended (the "Securities Act") provided that:

- you are acquiring the new notes issued in the exchange offer in the ordinary course of your business;
- you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, the distribution of the new notes issued to you in the exchange offer; and
- you are not National's "affiliate," as defined under Rule 405 of the Securities Act.

Each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes.

The letter of transmittal states that by so acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. National has agreed that, for a period of one year after the expiration date of the exchange offer, National will make this prospectus, as amended or supplemented, available to any broker-dealer



for use in connection with any such resale. See “Plan of Distribution.”

### **Accrued Interest on the New Notes and Original Notes**

The new notes will bear interest from April 11, 2008 or the last interest payment date on which interest was paid on the original notes surrendered in exchange therefor. Holders of original notes that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest on such original notes accrued from the last interest payment date to the date of issuance of the new notes.

### **Conditions to the Exchange Offer**

If the exchange offer would not be permitted by applicable law or SEC policy, National will not be required to consummate the exchange offer. See “The Exchange Offer—Conditions.”

### **Procedures for Tendering Original Notes**

Each holder of original notes wishing to accept the exchange offer must:

- complete, sign and date the letter of transmittal or a facsimile of the letter of transmittal; or
- if original notes are tendered in accordance with the book-entry procedures described in this prospectus, the tendering holder must transmit an agent’s message to the exchange agent at the address listed in this prospectus.

You must mail or otherwise deliver the required documentation together with the original notes to the exchange agent.

### **Special Procedures for Beneficial Holders**

If you beneficially own original notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your original notes in the exchange offer, you should contact such registered holder promptly and instruct them to tender on your behalf. If you wish to tender on your own behalf, you must, before completing and executing the letter of transmittal for the exchange offer and delivering your original notes, either arrange to have your original notes registered in your name or obtain a properly completed note power from the registered holder. The transfer of registered ownership may take considerable time.

### **Guaranteed Delivery Procedures**

You must comply with the applicable guaranteed delivery procedures for tendering if you wish to tender your original notes and:

- your original notes are not immediately available; or
- time will not permit your required documents to reach the exchange agent prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer; or
- you cannot complete the procedures for delivery by book-entry transfer prior to 5:00 p.m., New



York City time, on the expiration date of the exchange offer.

**Withdrawal Rights**

You may withdraw your tender of original notes at any time prior to 5:00 p.m., New York City time, on the date the exchange offer expires.

**Failure to Exchange Will Affect You Adversely**

If you are eligible to participate in the exchange offer and you do not tender your original notes, you will not have further exchange or registration rights and your original notes will continue to be subject to restrictions on transfer under the Securities Act. Accordingly, the liquidity of your original notes will be adversely affected.

**U.S. Federal Income Tax Consequences**

The exchange of original notes for new notes pursuant to the exchange offer will not constitute a taxable event for United States federal income tax purposes. See “U.S. Federal Income Tax Consequences.”

**Exchange Agent**

The Bank of New York Mellon is serving as exchange agent.

**Use of Proceeds**

National will not receive any proceeds from the exchange offer. See “Use of Proceeds.”

**Registration Rights**

Additional interest with respect to the original notes shall be assessed as described below if any of the following events occur:

- on or prior to 230 calendar days after April 11, 2008, the exchange offer registration statement has not been filed with the SEC;
- on or prior to 275 days after April 11, 2008, the exchange offer has not been declared effective by the SEC;
- on or prior to 320 calendar days after April 11, 2008, the exchange offer has not been consummated;
- if required, on or prior to the later of 30 calendar days after a shelf registration event date and 230 calendar days after April 11, 2008, a shelf registration statement has not been filed with the SEC;
- if required, on or prior to the later of 75 calendar days after a shelf registration event date and 275 calendar days after April 11, 2008, a shelf registration statement has not been declared effective by the SEC; or
- after either the exchange offer registration statement or the shelf registration statement has been filed and declared effective,
  - such registration statement thereafter ceases to be effective, or
  - such registration statement is unusable for its intended purpose under the circumstances set forth in the registration rights agreement.



If any of the above events occur, additional interest will accrue on the original notes in addition to the rate shown on the cover page of this prospectus, from and including the date on which any such registration default shall occur to, but excluding, the date on which the registration default has been cured, at the rate of 0.25% per year, plus an additional 0.25% per year from and during any period in which the registration default has continued for more than 90 calendar days, up to a maximum rate of 0.50% per year. In no event will the additional interest on the original notes exceed 0.50% per year. National will have no other liabilities for monetary damages with respect to its registration obligations. With respect to each holder, National's obligations to pay additional interest remain in effect only so long as the original notes held by the holder are "registrable notes" within the meaning of the registration rights agreement. The receipt of additional interest will be the sole monetary remedy available to a holder if National fails to meet these obligations. See "The Exchange Offer—Terms of the Exchange Offer."

## Summary Terms of New Notes

<b>Issuer</b>	National Fuel Gas Company
<b>Notes Offered</b>	<p>Up to \$300,000,000 aggregate principal amount of 6.50% Notes due April 15, 2018 that have been registered under the Securities Act. The form and terms of the new notes will be the same as the form and terms of the original notes except that:</p> <ul style="list-style-type: none"><li>• the new notes will bear a different CUSIP number from the original notes;</li><li>• the new notes have been registered under the Securities Act, and therefore, will not bear legends restricting their transfer; and</li><li>• you will not be entitled to any exchange or registration rights with respect to the new notes.</li></ul> <p>The new notes will evidence the same debt as the original notes. They will be entitled to the benefits of the indenture governing the original notes and will be treated under the indenture as a single series with the original notes. National refers to the new notes and the original notes collectively as the notes in this prospectus.</p>
<b>Maturity Date</b>	April 15, 2018.
<b>Interest Rate</b>	The new notes will bear interest at the rate of 6.50% per annum from April 11, 2008 or the last interest payment date on which interest was paid on the original notes, calculated on the basis of a 360-day year consisting of twelve 30-day months.
<b>Interest Payment Dates</b>	Each April 15 and October 15. Interest payments will commence on the new notes on April 15, 2009.
<b>Optional Redemption</b>	National may redeem some or all of the new notes at any time and from time to time at the “make-whole” redemption price discussed in this prospectus under the heading “Description of the Notes—Optional Redemption.”
<b>Ranking</b>	The new notes will constitute National’s direct unsecured general obligations and will rank equally with all of National’s other senior, unsecured and unsubordinated debt from time to time outstanding.
<b>Change of Control</b>	If a change of control triggering event as described in this prospectus under the heading “Description of the Notes – Change of Control Offer” occurs, each holder of the new notes may require National to purchase all or a portion of such holder’s new notes at a price equal to 101% of the principal amount, plus accrued interest, if any, to the date of purchase.
<b>Use of Proceeds</b>	National will not receive cash proceeds from the issuance of the new notes hereby. In consideration for issuing the new notes in exchange for the original notes as described in this prospectus, National will receive original notes of



like principal amount. The original notes tendered and accepted in the exchange offer for the new notes will be retired and canceled.

**Denomination and Form**

National will issue the new notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company, or DTC. Beneficial interests in the new notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Clearstream Banking, société anonyme and Euroclear Bank, S.A./N.V., as operator of the Euroclear System, will hold interests on behalf of their participants through their respective U.S. depositories, which in turn will hold such interests in accounts as participants of DTC. Except in limited circumstances described in this prospectus, owners of beneficial interests in the new notes will not be entitled to have new notes registered in their names, will not receive or be entitled to receive new notes in definitive form and will not be considered holders of new notes under the indenture. The new notes will be issued in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

**Risk Factors**

See “Risk Factors” and other information in this prospectus for a discussion of factors you should carefully consider before deciding to participate in the exchange offer.

**Exchange Agent**

The Bank of New York Mellon.

**For additional information regarding the new notes, see the section entitled “Description of the Notes” in this prospectus.**

## Summary Financial Data

The following material, which is presented in this prospectus solely to furnish limited introductory information, is qualified in its entirety by, and should be considered in conjunction with, the more detailed information incorporated by reference or provided in this prospectus. In the opinion of National, all adjustments (constituting only normal recurring accruals) necessary for a fair statement of the results of operations for the nine months ended June 30, 2008 and 2007 have been made. The income statement data for the nine months ended June 30, 2008 and June 30, 2007 are not necessarily indicative of the results that may be expected for an entire year.

(In Thousands)

	Nine Months Ended June 30,		Twelve Months Ended September 30,				
	2008	2007	2007	2006	2005	2004	2003
<b>Summary of Operations:</b>							
Operating revenues	\$ 2,002,503	\$ 1,737,537	\$ 2,039,566	\$ 2,239,675	\$ 1,860,774	\$ 1,867,875	\$ 1,821,899
Operating income	\$ 406,978	\$ 322,994	\$ 396,498	\$ 355,623	\$ 288,187	\$ 315,599	\$ 470,096
Net income available for common stock	\$ 225,463	\$ 179,765	\$ 337,455	\$ 138,091	\$ 189,488	\$ 166,586	\$ 178,944
Dividends declared on common stock	\$ 77,809	\$ 75,624	\$ 101,496	\$ 98,829	\$ 95,394	\$ 90,350	\$ 85,651

	As of June 30,	As of September 30,				
	2008	2007	2006	2005	2004	2003
Total assets	\$4,293,861	\$ 3,888,412	\$ 3,763,748	\$ 3,749,753	\$ 3,738,103	\$ 3,740,944
Long-term debt, net of current portion	\$ 999,000	\$ 799,000	\$ 1,095,675	\$ 1,119,012	\$ 1,133,317	\$ 1,147,779

The following table shows National's ratio of earnings to fixed charges for the periods indicated:

Nine Months Ended June 30, 2008	Fiscal Years Ended September 30,				
	2007	2006	2005	2004	2003
7.35	5.31	4.64	3.66	3.50	4.56

## RISK FACTORS

*You should carefully consider the risk factors described below, and the risks and uncertainties discussed in National's Annual Report on Form 10-K for the fiscal year ended September 30, 2007 and its Quarterly Reports on Form 10-Q for the quarters ended December 31, 2007, March 31, 2008 and June 30, 2008, which are incorporated by reference herein, as well as the other information included or incorporated by reference in this prospectus prior to making a decision to exchange original notes for new notes.*

### **Risks relating to National's Business**

***Recent disruptions in financial markets may affect National's ability to obtain financing or refinance maturing debt on reasonable terms and may have other adverse effects.***

Widely-documented disruptions in financial markets have resulted in a severe tightening of credit in the United States. Liquidity in credit markets has contracted significantly, making terms for certain financings less attractive. Ongoing turmoil in the credit markets may make it difficult for National to obtain financing on acceptable terms for working capital, capital expenditures and other investments and to refinance maturing debt on favorable terms. These difficulties could adversely affect National's operations and financial performance.

For a discussion of other risks and uncertainties to consider regarding National's business, see the risk factors section of National's Annual Report on Form 10-K for the fiscal year ended September 30, 2007, as updated in National's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008 and June 30, 2008.

### **Risks relating to the Exchange Offer**

***If National fails to exchange your original notes, or does so improperly, the original notes will continue to be restricted securities and may become less liquid.***

Original notes that you do not validly tender or that National does not accept will, following the exchange offer, continue to be restricted securities and you may not offer or sell them except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. National will issue new notes in exchange for the original notes in the exchange offer only following the satisfaction of the procedures and conditions set forth in "The Exchange Offer – Exchange Offer Procedures." Such procedures and conditions include timely receipt by the exchange agent of the original notes and a properly completed and duly executed letter of transmittal. Because National anticipates that most holders of the original notes will elect to exchange them for new notes in the exchange offer, National expects that the liquidity of the market for the original notes remaining after the completion of the exchange offer will be substantially limited. Any original notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of the original notes outstanding. Following the exchange offer, if you do not tender your original notes, you generally will not have any further registration rights, and such original notes will continue to be subject to certain transfer restrictions.

***National cannot assure you that an active trading market for the new notes will develop.***

National does not intend to apply for listing or quotation of the new notes on any securities exchange or to seek approval for quotations through any automated quotation system. Consequently, there is a risk that:

- a liquid market for the new notes will not develop;
- you will not be able to sell your new notes; or
- you will not receive any specific price upon any sale of the new notes.

***Broker-dealers may need to comply with the registration and prospectus delivery requirements of the Securities Act.***

Any broker-dealer that (i) exchanges its original notes in the exchange offer for the purpose of participating in a distribution of the new notes or (ii) resells new notes that were received by it for its own account in the exchange offer may be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that broker-dealer. Any profit on the resale of the new notes and any commission or concessions received by a broker-dealer may be deemed to be underwriting compensation under the Securities Act.

***You may not receive new notes in the exchange offer if the exchange offer procedure is not followed.***

National will issue the new notes in exchange for your original notes only if you properly tender your original notes before the expiration of the exchange offer. Neither the exchange agent nor National is under any duty to give notification of defects or irregularities with respect to tenders of original notes for exchange. If you are the beneficial holder of original notes that are held through your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender in the exchange offer, you should promptly contact the person through whom your original notes are held and instruct that person to tender on your behalf.

**Risks relating to the new notes**

***The market price of the new notes will fluctuate.***

Any material differences between National's actual results and historical results contained in National's annual, quarterly and current reports filed with the SEC and incorporated by reference in this prospectus could have a significant adverse impact on the market price of the notes, assuming a market for the new notes develops.

Likewise, any downgrade of National's credit ratings could have a significant adverse impact on the market price of the new notes, assuming a market for the new notes develops. The original notes are currently rated Baa1 by Moody's Investor Services, Inc., BBB+ by Standard & Poor's Ratings Services ("S&P") and A- by Fitch Ratings. On October 15, 2008, National's senior unsecured credit rating was placed on CreditWatch-with negative implications by S&P. Each security rating agency has its own methodology for assigning ratings. Security ratings are not recommendations to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

***The new notes will be effectively subordinated to the liabilities of National's subsidiaries.***

Because National is a holding company, the new notes will be structurally subordinated to the existing and future liabilities of National's subsidiaries. National conducts all of its operations through its subsidiaries and so its ability to meet its obligations under the new notes will be dependent on the earnings and cash flows of those subsidiaries and the ability of those subsidiaries to pay dividends or to advance or repay funds to National. Holders of the new notes will generally have a position junior to claims of creditors of National's subsidiaries, including trade creditors of and holders of indebtedness issued by any such subsidiary and preferred stockholders of the subsidiaries of National. No subsidiary currently has (i) outstanding shares of preferred stock or (ii) any outstanding long-term debt other than to National.

***National may not have sufficient funds to purchase the new notes upon a change of control triggering event and this covenant provides limited protection to investors.***

Holders of the new notes may require National to purchase their new notes upon a "change of control triggering event" as defined under "Description of the Notes — Change of Control Offer." National cannot assure you that National will have sufficient financial resources, or will be able to arrange sufficient financing, to pay the purchase price of the new notes, particularly if a change of control event triggers a similar repurchase requirement for, or results in the acceleration of, National's other then existing debt.

The change of control offer covenant is limited to the transactions specified in “Description of the Notes — Change of Control Offer.” National has no present intention to engage in a transaction involving a change of control triggering event, although it is possible that National could decide to do so in the future. National could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a change of control triggering event under the new notes, but that could increase the amount of indebtedness outstanding at such time or otherwise materially adversely affect National’s capital structure or credit ratings.

***After the standstill agreement with New Mountain Vantage expires, New Mountain Vantage may attempt to increase its control over National.***

On January 24, 2008, National and New Mountain Vantage GP, L.L.C. and its affiliates, including the California Public Employees’ Retirement System (“Vantage”), entered into an agreement to settle the proxy contest pertaining to the election of directors to National’s Board of Directors at National’s 2008 Annual Meeting of Stockholders. Pursuant to the settlement agreement, National and Vantage have agreed, among other things, to a standstill whereby, until September 2009, Vantage will not, among other things, acquire voting securities that would increase its beneficial ownership to more than 9.6 percent of National’s voting securities; engage in any proxy solicitations or advance any shareholder proposals; attempt to control National’s Board of Directors, management or policies; call a meeting of shareholders; obtain additional representation to the Board of Directors; or effect the removal of any member of the Board of Directors. At the end of the standstill period, Vantage may again seek to increase its control and/or influence over National.

***The indenture does not restrict the amount of additional debt that National may incur.***

The new notes and the indenture under which the new notes will be issued do not place any limitation on the amount of unsecured debt that may be incurred by National. National’s incurrence of additional debt may have important consequences for holders of the new notes, including making it more difficult for National to satisfy its obligations with respect to the new notes, a loss in the trading value of the new notes, if any, and a risk that the credit rating of the new notes is lowered or withdrawn.

## THE EXCHANGE OFFER

The following descriptions of the exchange offer and the registration rights agreement are summaries and are qualified by reference to the registration rights agreement. This summary does not contain a complete description of the exchange offer, the new notes or the registration rights agreement. You should read this summary together with the registration rights agreement for a complete understanding of the provisions that may be important to you. In addition, the information below concerning specific interpretations of and positions taken by the staff of the SEC is not intended to constitute legal advice, and holders of new notes should consult their own legal advisors with respect to those matters.

### Terms of the Exchange Offer

#### *Purpose of the Exchange Offer*

National sold the original notes on April 11, 2008 in a transaction exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The initial purchasers of the original notes subsequently resold the original notes to qualified institutional buyers in reliance on Rule 144A under the Securities Act and outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act.

In connection with the sale of original notes to the initial purchasers pursuant to the Purchase Agreement, dated April 8, 2008, among National and Banc of America Securities LLC, BNY Mellon Capital Markets, Inc. and J.P. Morgan Securities Inc., acting as representatives for the initial purchasers named therein, the holders of the original notes became entitled to the benefits of a registration rights agreement dated April 11, 2008, among National and the initial purchasers.

The registration rights agreement provides that National will:

- within 230 calendar days following the original issue date of the original notes, prepare and file with the SEC an exchange offer registration statement;
- use its reasonable best efforts to cause the exchange offer registration statement to be declared effective within 275 calendar days of the original issue date of the original notes;
- use its reasonable best efforts to keep the exchange offer registration statement effective until the closing of the exchange offer; and
- use its reasonable best efforts to cause the exchange offer to be consummated not later than 45 calendar days following the effectiveness of the exchange offer registration statement.

This prospectus, together with the letter of transmittal, is being sent to all beneficial holders of original notes known to National.

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, National will accept all original notes properly tendered and not withdrawn prior to the expiration date. Holders may tender some or all of their original notes pursuant to the exchange offer.

Interest on each new note will accrue from the last date on which interest was paid on the original note surrendered in exchange or, if no interest has been paid on that original note, from the original issue date of the original notes.

### SEC Interpretations

Based on existing interpretations of the Securities Act by the staff of the SEC in several no-action letters to third parties, and subject to the immediately following sentence, National believes that the new notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by the holders, other than holders who are broker-dealers, without further compliance with the registration and prospectus delivery provisions

of the Securities Act. Any purchaser of original notes, however, who is National's affiliate or who intends to participate in the exchange offer for the purpose of distributing the new notes, or any participating broker-dealer who purchased the original notes for its own account, other than as a result of market-making activities or other trading activities, to resell pursuant to Rule 144A or any other available exemption under the Securities Act:

- will not be able to rely on the interpretations by the staff of the SEC;
- will not be able to tender its original notes in the exchange offer; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the new notes, unless the sale or transfer is made under an exemption from those requirements.

National does not intend to seek its own interpretation regarding the exchange offer, and National cannot assure you that the staff of the SEC would make a similar determination with respect to the new notes as it has in other interpretations to third parties.

Each holder of original notes, other than specified holders, who wishes to exchange the original notes for the new notes in the exchange offer will be required to make representations that:

- it is not an affiliate of National;
- it is not a broker-dealer tendering original notes acquired directly from National for its own account;
- the original notes being exchanged, and any new notes to be received by it, have been or will be acquired in the ordinary course of its business; and
- it has no arrangement or understanding with any person to participate in the distribution, within the meaning of the Securities Act, of the new notes.

In addition, in connection with resales of new notes, any participating broker-dealer must deliver a prospectus meeting the requirements of the Securities Act. The staff of the SEC has taken the position that participating broker-dealers may fulfill their prospectus delivery requirements with respect to the new notes, other than a resale of an unsold allotment from the original sale of the notes, with the prospectus contained in the exchange offer registration statement. Under the registration rights agreement, National has agreed, for a period of one year following the consummation of the exchange offer, to make available a prospectus meeting the requirements of the Securities Act to any participating broker-dealer for use in connection with any resale of any new notes acquired in the exchange offer.

National shall be deemed to have accepted validly tendered original notes when, as and if National has given oral or written notice of the acceptance of such original notes to the exchange agent. The exchange agent will act as agent for the tendering holders of original notes for the purposes of receiving the new notes from the issuers and delivering new notes to such holders.

If any tendered original notes are not accepted for exchange because of an invalid tender or the occurrence of the conditions set forth under “—Conditions” without waiver by National, certificates for any such unaccepted original notes will be returned, without expense, to the tendering holder of any such original notes as promptly as practicable after the expiration date.

Holders of original notes who tender in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of original notes, pursuant to the exchange offer. National will pay all charges and expenses, other than certain applicable taxes in connection with the exchange offer. See “—Fees and Expenses.”

## Shelf Registration

If:

- (1) National is not permitted to consummate the exchange offer because the exchange offer is not permitted by applicable law or SEC policy;
- (2) for any reason, the exchange offer is not consummated within 320 calendar days following the date of original issuance of the notes; or
- (3) National receives notice from any holder in specified circumstances,

National will, in addition to or instead of effecting the registration of the new notes pursuant to the exchange offer registration statement, as the case may be,

- (a) on or prior to the later of (i) 30 calendar days after any event described in (1), (2) and (3) above and (ii) 230 calendar days after the original issuance date of the original notes, file with the SEC a shelf registration statement covering resales of the original notes;
- (b) use its reasonable best efforts to cause the shelf registration statement to be declared effective by the SEC under the Securities Act prior to the later of (i) 75 calendar days after the date of any event described in (1), (2) or (3) above and (ii) 275 calendar days after the original issuance date of the original notes;
- (c) use its reasonable best efforts to keep the shelf registration statement effective until one year after the original issue date of the original notes or until all of the original notes covered by the shelf registration statement have been sold or otherwise cease to be “registrable notes” within the meaning of the registration rights agreement (as defined below); provided, however, that National may fail to keep the shelf registration statement effective and usable for offers and sales of original notes in its reasonable judgment for specified periods under certain circumstances; and
- (d) use its reasonable best efforts to ensure that:
  - the shelf registration statement and any amendment to the shelf registration statement and any prospectus included in the shelf registration statement complies in all material respects with the Securities Act; and
  - the shelf registration statement and any amendment to the shelf registration statement and any prospectus included in the shelf registration statement does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

National will, in the event of the filing of a shelf registration statement, provide to each holder of original notes that are covered by the shelf registration statement copies of the prospectus that is a part of the shelf registration statement and notify each holder when the shelf registration statement has become effective. A holder of original notes that sells the notes pursuant to the shelf registration statement generally will be required to be named as a selling securityholder in the related prospectus, to deliver information to be used in connection with the shelf registration, and to deliver a prospectus to purchasers, will be subject to the civil liability provisions under the Securities Act in connection with the sales and will be bound by the provisions of the registration rights agreement that are applicable to the holder, including indemnification obligations.

For purposes of the registration rights agreement, “registrable notes” means the original notes, until the earliest to occur of:

- the date on which any original note has been exchanged by a person other than a participating broker-dealer for new notes in the exchange offer;

- following the exchange by a participating broker-dealer in the exchange offer of any original note for one or more new notes, the date on which such new notes are sold to a purchaser in accordance with the exchange offer registration statement;
- the date on which any original note has been registered under the Securities Act and disposed of in accordance with a shelf registration statement; and
- the date on which any original note is eligible to be distributed to the public pursuant to Rule 144 under the Securities Act (or any successor provision thereof) without the satisfaction of any conditions except the applicable holding period set forth therein.

### **Legend; Suspension of Resales**

Each original note contains a legend to the effect that the holder of the original notes, by its acceptance of the original notes, agrees to be bound by the provisions of the registration rights agreement. In that regard, if a holder receives notice from National of:

- (1) any request by the SEC or any state securities authority for amendments or supplements to a registration statement or prospectus or for additional information after the registration statement has become effective;
- (2) the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a registration statement or the qualification of the original notes or the new notes to be offered or sold by any participating broker-dealer or the initiation of proceedings for that purpose;
- (3) the happening of any event or the failure of any event to occur or the discovery of any facts that makes any statement made in a registration statement or related prospectus untrue in any material respect or that causes that registration statement or the related prospectus to omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which there were made, not misleading, as well as any other corporate developments, public filings with the SEC or similar events causes the registration statement not to be effective or the prospectus not to be usable for resales; or
- (4) National's reasonable determination that a post-effective amendment to the registration statement would be appropriate,

the holder, or participating broker-dealer, as the case may be, will suspend the sale of original notes pursuant to that prospectus until National has either:

- amended or supplemented the prospectus to correct the misstatement or omission and furnished copies of the amended or supplemented prospectus to the holder, or participating broker-dealer, as the case may be; or
- given notice that the sale of the original notes may be resumed.

### **Additional Interest**

If a registration default occurs, which means one of the following events occurs:

- the exchange offer registration statement is not filed with the SEC on or prior to the 230th calendar day following the original issue date of the original notes;
- the exchange offer registration statement is not declared effective by the SEC on or prior to the 275th calendar day following the original issue date of the original notes;
- the exchange offer is not consummated on or prior to the 320th calendar day following the original issue date of the original notes;
- if required, a shelf registration statement with respect to the original notes is not filed with the SEC on or prior to the later of (i) 30 calendar days after any event described in (1), (2) or (3) under "--Shelf Registration" above and (ii) 230 calendar days after the original issue date of the original notes;

- if required, a shelf registration statement with respect to the original notes is not declared effective by the SEC on or prior to the later of (i) 75 calendar days after the date of any event described in (1), (2) or (3) under “—Shelf Registration” above and (ii) 275 calendar days following the original issue date of the original notes; or
- either the exchange offer registration statement or a shelf registration statement has been filed and declared effective but after its effective date ceases to be effective or is unusable for its intended purpose under the circumstances set forth in the registration rights agreement;

then additional interest will accrue on the original notes in addition to the rate shown on the cover page of this prospectus, from and including the date on which any such registration default shall occur to, but excluding, the date on which the registration default has been cured, at the rate of 0.25% per year, plus an additional 0.25% per year from and during any period in which the registration default has continued for more than 90 calendar days, up to a maximum rate of 0.50% per year. In no event will the additional interest on the original notes exceed 0.50% per year. National will have no other liabilities for monetary damages with respect to its registration obligations. With respect to each holder, National’s obligations to pay additional interest remain in effect only so long as the original notes held by the holder are “registrable notes” within the meaning of the registration rights agreement. The receipt of additional interest will be the sole monetary remedy available to a holder if National fails to meet these obligations.

### **Business Days**

Notwithstanding any other provision of the registration rights agreement to the contrary, if the date by which the exchange offer registration statement or a shelf registration statement is required to be filed with or declared effective by the SEC or the exchange offer is required to be consummated falls on a day that is not a business day, then such date shall be extended to the next succeeding business day and no additional interest shall accrue on the original notes during such extension.

### **Governing Law**

The registration rights agreement is governed by, and construed in accordance with, the laws of the State of New York.

### ***Expiration Date; Extensions; Amendment***

National will keep the exchange offer open for not less than 20 business days, or longer if required by applicable law, after the date on which notice of the exchange offer is mailed to the holders of the original notes. The term “expiration date” means the expiration date set forth on the cover page of this prospectus, unless National extends the exchange offer, in which case the term “expiration date” means the latest date to which the exchange offer is extended.

In order to extend the expiration date, National will notify the exchange agent of any extension by oral (to be confirmed in writing) or written notice and will issue a public announcement of the extension, each prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

National reserves the right, in its sole discretion:

- to delay accepting any original notes, to extend the exchange offer or to terminate the exchange offer and not accept original notes not previously accepted if any of the conditions set forth under “—Conditions” shall have occurred and shall not have been waived by National, if permitted to be waived by National, by giving oral or written notice of such delay, extension or termination to the exchange agent, or

- to amend the terms of the exchange offer in any manner deemed by National to be advantageous to the holders of the original notes.

Any delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice to the registered holders of original notes. If the exchange offer is amended in a manner determined by National to constitute a material change, National will promptly disclose such amendment in a manner reasonably calculated to inform the holders of the original notes of such amendment. Depending upon the significance of the amendment, National may extend the exchange offer if it otherwise would expire during such extension period.

Without limiting the manner in which National may choose to make a public announcement of any extension, amendment or termination of the exchange offer, National will not be obligated to publish, advertise, or otherwise communicate any such announcement, other than by making a timely release to an appropriate news agency and as may be required by the SEC.

### **Exchange Offer Procedures**

To tender in the exchange offer, a holder must complete, sign and date the letter of transmittal, or a facsimile thereof, have the signatures on the letter of transmittal guaranteed if required by instruction 4 of the letter of transmittal, and mail or otherwise deliver such letter of transmittal or such facsimile or an agent's message in connection with a book-entry transfer, together with the original notes and any other required documents. To be validly tendered, such documents must reach the exchange agent before 5:00 p.m., New York City time, on the expiration date. Delivery of the original notes may be made by book-entry transfer in accordance with the procedures described below. Confirmation of such book-entry transfer must be received by the exchange agent prior to the expiration date.

The term "agent's message" means a message, transmitted by a book-entry transfer facility to, and received by, the exchange agent, forming a part of a confirmation of a book-entry transfer, which states that such book-entry transfer facility has received an express acknowledgment from the participant in such book-entry transfer facility tendering the original notes that such participant has received and agrees to be bound by the terms of the letter of transmittal and that National may enforce such agreement against such participant.

The tender by a holder of original notes will constitute an agreement between such holder and National in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

Delivery of all documents must be made to the exchange agent at its address set forth below. Holders may also request their respective brokers, dealers, commercial banks, trust companies or nominees to effect such tender for such holders.

Each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See "Plan of Distribution."

**THE METHOD OF DELIVERY OF ORIGINAL NOTES AND THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS TO THE EXCHANGE AGENT IS AT THE ELECTION AND RISK OF THE HOLDERS. INSTEAD OF DELIVERY BY MAIL, IT IS RECOMMENDED THAT HOLDERS USE AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE TIMELY DELIVERY TO THE EXCHANGE AGENT BEFORE 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE. NO LETTER OF TRANSMITTAL OR ORIGINAL NOTES SHOULD BE SENT TO NATIONAL.**

Only a holder of original notes may tender original notes in the exchange offer. The term "holder" with respect to the exchange offer means any person in whose name original notes are registered on National's books or any other person who has obtained a properly completed note power from the registered holder.

Any beneficial holder whose original notes are registered in the name of its broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder promptly and instruct such registered holder to tender on its behalf. If such beneficial holder wishes to tender on its own behalf, such registered holder must, prior to completing and executing the letter of transmittal and delivering its original notes, either make appropriate arrangements to register ownership of the original notes in such holder's name or obtain a properly completed note power from the registered holder. The transfer of record ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal, must be guaranteed by an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, unless the original notes are tendered:

- by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal, or
- for the account of an eligible guarantor institution.

In the event that signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, such guarantee must be by an eligible guarantor institution.

If the letter of transmittal is signed by a person other than the registered holder of any original notes listed therein, such original notes must be endorsed or accompanied by appropriate note powers and a proxy which authorizes such person to tender the original notes on behalf of the registered holder, in each case signed as the name of the registered holder or holders appears on the original notes.

If the letter of transmittal or any original notes or note powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by National, evidence satisfactory to National of their authority so to act must be submitted with the letter of transmittal.

All questions as to the validity, form, eligibility, including time of receipt, and withdrawal of the tendered original notes will be determined by National in its sole discretion, which determination will be final and binding. National reserves the absolute right to reject any and all original notes not properly tendered or any original notes National's acceptance of which, in the opinion of National's counsel, would be unlawful. National also reserves the absolute right to waive any irregularities or conditions of tender as to particular original notes. National's interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of original notes must be cured within such time as National shall determine. Neither National, the exchange agent nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of original notes, nor shall any of them incur any liability for failure to give such notification. Tendere of original notes will not be deemed to have been made until such irregularities have been cured or waived. Any original notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders of original notes without cost to such holder, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

In addition, National reserves the absolute right in its sole discretion to

- purchase or make offers for any original notes that remain outstanding subsequent to the expiration date or, as set forth under "— Conditions," to terminate the exchange offer in accordance with the terms of the registration rights agreements, and
- to the extent permitted by applicable law, purchase original notes in the open market, in privately negotiated transactions or otherwise.

The terms of any such purchases or offers may differ from the terms of the exchange offer.

By tendering, each holder will represent to National that, among other things,

- the new notes acquired pursuant to the exchange offer are being obtained in the ordinary course of business of such holder or other person,
- neither such holder or other person has any arrangement or understanding with any person to participate in the distribution of such new notes,
- such holder or other person is not National's "affiliate," as defined under Rule 405 of the Securities Act, or, if such holder or other person is such an affiliate, will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable,
- if such holder is not a broker-dealer, neither such holder nor such other person is engaged in or intends to engage in a distribution of the new notes, and
- if such holder is a broker-dealer that receives new notes for its own account in exchange for the original notes, where such original notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, such broker-dealer will deliver a prospectus in connection with any resale of such new notes.

National understands that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the original notes at The Depository Trust Company for the purpose of facilitating the exchange offer, and subject to the establishment of such accounts, any financial institution that is a participant in The Depository Trust Company's system may make book-entry delivery of original notes by causing The Depository Trust Company to transfer such original notes into the exchange agent's account with respect to the original notes in accordance with The Depository Trust Company's procedures for such transfer. Although delivery of the original notes may be effected through book-entry transfer into the exchange agent's account at The Depository Trust Company, an appropriate letter of transmittal properly completed and duly executed with any required signature guarantee, or an agent's message in lieu of the letter of transmittal, and all other required documents must in each case be transmitted to and received or confirmed by the exchange agent at its address set forth below on or prior to the expiration date, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under such procedures. Delivery of documents to The Depository Trust Company does not constitute delivery to the exchange agent.

### **Guaranteed Delivery Procedures**

Holders who wish to tender their original notes and

- whose original notes are not immediately available, or
- who cannot deliver their original notes, the letter of transmittal or any other required documents to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, or
- who cannot complete the procedures for delivery by book-entry transfer prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer,

may effect a tender if:

- the tender is made by or through an "eligible guarantor institution,"
- prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, the exchange agent receives from such "eligible guarantor institution" a properly completed and duly executed Notice of Guaranteed Delivery, by facsimile transmission, mail or hand delivery, setting forth the name and address of the holder of the original notes, the certificate number or numbers of such original notes and the principal amount of original notes tendered, stating that the tender is being made thereby, and guaranteeing that, within three business days after the expiration date, the letter of transmittal, or facsimile thereof or agent's message in lieu of the letter of transmittal, together with the certificate(s) representing the original notes to be tendered in proper form for transfer and any other documents required by the letter of transmittal will be deposited by the eligible guarantor institution with the exchange agent, and

- a properly completed and duly executed letter of transmittal, or facsimile thereof, together with the certificate(s) representing all tendered original notes in proper form for transfer or an agent's message in the case of delivery by book-entry transfer and all other documents required by the letter of transmittal are received by the exchange agent within three business days after the expiration date.

### **Withdrawal of Tenders**

Except as otherwise provided in this prospectus, tenders of original notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of original notes in the exchange offer, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth in this prospectus prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

- specify the name of the depositor, who is the person having deposited the original notes to be withdrawn,
- identify the original notes to be withdrawn, including the certificate number or numbers and principal amount of such original notes or, in the case of original notes transferred by book-entry transfer, the name and number of the account at The Depository Trust Company to be credited,
- be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such original notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee with respect to the original notes register the transfer of such original notes into the name of the depositor withdrawing the tender, and
- specify the name in which any such original notes are to be registered, if different from that of the depositor.

All questions as to the validity, form and eligibility, including time of receipt, of such withdrawal notices will be determined by National, and National's determination shall be final and binding on all parties. Any original notes so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new notes will be issued with respect to the original notes withdrawn unless the original notes so withdrawn are validly retendered. Any original notes which have been tendered but which are not accepted for exchange will be returned to their holder without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn original notes may be retendered by following one of the procedures described above under "—Exchange Offer Procedures" at any time prior to the expiration date.

### **Conditions**

Notwithstanding any other term of the exchange offer, National will not be required to accept for exchange, or exchange, any original notes for any new notes, and may terminate or amend the exchange offer before the expiration date, if the exchange offer violates any applicable law or interpretation by the staff of the SEC.

If National determines in its reasonable discretion that the foregoing condition exists, National may

- refuse to accept any original notes and return all tendered original notes to the tendering holders,
- extend the exchange offer and retain all original notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders who tendered such original notes to withdraw their tendered original notes, or

- waive such condition, if permissible, with respect to the exchange offer and accept all properly tendered original notes which have not been withdrawn. If such waiver constitutes a material change to the exchange offer, National will promptly disclose such waiver by means of a prospectus supplement that will be distributed to the holders, and National will extend the exchange offer as required by applicable law.

## **Exchange Agent**

The Bank of New York Mellon has been appointed as the information and exchange agent for the exchange offer. All executed letters of transmittal and any other required documents should be directed to the exchange agent at the address or facsimile number set forth below. Questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery should be directed to the exchange agent addressed as follows:

### **THE BANK OF NEW YORK MELLON**

#### ***For Information :***

Banks and Brokers: (212) 815-3687

#### ***By Mail, Overnight Delivery or Hand Delivery:***

The Bank of New York Mellon  
101 Barclay Street, 7 East  
New York, New York 10286  
Attention: Reorganization Unit  
Reference: National Fuel Gas Company Exchange

#### ***By Facsimile for Eligible Institutions:***

(212) 298-1915  
Reference: National Fuel Gas Company Exchange

#### ***To Confirm By Telephone or for Information:***

(212) 815-3687  
Reference: National Fuel Gas Company Exchange

DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF SUCH LETTER OF TRANSMITTAL VIA FACSIMILE OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY OF THE LETTER OF TRANSMITTAL.

## **Fees and Expenses**

National will not make any payment to brokers, dealers, or others soliciting acceptances of the exchange offer. The estimated cash expenses to be incurred in connection with the exchange offer will be paid by National. Such expenses include fees and expenses of The Bank of New York Mellon as exchange agent, accounting and legal fees and printing costs, among others.

## **Accounting Treatment**

The new notes will be recorded at the same carrying value as the original notes as reflected in National's accounting records on the date of exchange. Accordingly, no gain or loss for accounting purposes will be

recognized by National. The expenses of the exchange offer and the unamortized expenses related to the issuance of the original notes will be amortized over the term of the new notes.

### **Consequences of Failure to Exchange**

Holders of original notes who are eligible to participate in the exchange offer but who do not tender their original notes will not have any further registration rights, and their original notes will continue to be subject to restrictions on transfer of the original notes as described in the legend on the original notes as a consequence of the issuance of the original notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, the original notes may not be offered or sold, unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

### **Regulatory Approvals**

National does not believe that the receipt of any material federal or state regulatory approval will be necessary in connection with the exchange offer, other than the effectiveness of the exchange offer registration statement under the Securities Act.

### **Other**

Participation in the exchange offer is voluntary and holders of original notes should carefully consider whether to accept the terms and condition of this exchange offer. Holders of the original notes are urged to consult their financial and tax advisors in making their own decisions on what action to take with respect to the exchange offer.

## USE OF PROCEEDS

National will not receive cash proceeds from the issuance of the new notes offered in the exchange offer. In consideration for issuing the new notes in exchange for the original notes as described in this prospectus, National will receive original notes of like principal amount. The original notes surrendered in exchange for the new notes will be retired and cancelled.

## DESCRIPTION OF THE NOTES

### General

The original notes are, and the new notes will be, issued as a series of debt securities under an indenture, dated as of October 1, 1999, between National and The Bank of New York Mellon, as trustee. An officer's certificate supplemented the indenture and established the specific terms of the notes.

The form and terms of the new notes are the same in all material respects as the form and terms of the original notes, except that the new notes will have been registered under the Securities Act, and therefore, will not bear legends restricting their transfer. Holders of new notes will not be entitled to any exchange or registration rights with respect to the new notes. The original notes have not been registered under the Securities Act and are subject to certain transfer restrictions. Except as otherwise specified, references to notes in this section refers to the original notes and the new notes.

The following descriptions of the notes and the indenture are summaries and are qualified by reference to the indenture. This summary does not contain a complete description of the notes or the indenture. You should read this summary together with the indenture, the officer's certificate establishing the notes and the registration rights agreement for a complete understanding of the provisions that may be important to you. References to certain sections of the indenture are included in parentheses.

The indenture does not limit the amount of debt that may be issued by National under the indenture or otherwise. The notes will initially be limited to \$300,000,000 aggregate principal amount.

The new notes will be issued only in book-entry form, that is as one or more global certificates registered in the name of DTC or its nominee, and in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The new notes will not be entitled to the benefit of any sinking fund, which means that National will not deposit money on a regular basis into any separate custodial account to repay your notes.

### Interest and Payment

Each note will bear interest at 6.50% per year, payable semi-annually in arrears on April 15 and October 15 of each year. Interest on the notes will initially accrue from (and including) the date of original issuance. The new notes will bear interest from April 11, 2008 or the last interest payment date on which interest was paid on the original notes surrendered in exchange therefor. Holders of original notes that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest on such original notes accrued from the last interest payment date to the date of issuance of the new notes. Interest payments will commence on the new notes on April 15, 2009.

The record date for interest payable on any interest payment date on the notes shall be the close of business (1) on the business day immediately preceding such interest payment date so long as the notes remain in book-entry form or (2) on the 15th calendar day before each interest payment date if the notes do not remain in book-entry form.

Interest accrued on the notes that is payable at maturity or earlier redemption will be payable to the persons entitled to payment of principal as a result of maturity or redemption, as the case may be. The amount of interest

payable will be computed on the basis of a 360-day year consisting of twelve 30-day months and, for any period shorter than a full calendar month, on the basis of the actual number of days elapsed. In the event that any interest payment date is not a business day, then payment of the interest will be made on the next business day, without any interest or other payment in respect of the delay. In addition, if there has been a default in the payment of interest on any note, the defaulted interest may be payable to the holder of the note as of the close of business on a date selected by the trustee not more than 15 days and not less than 10 days prior to the date proposed by National for payment of this defaulted interest, and not less than 10 days after the receipt by the trustee of National's notice of the proposed payment, or in any other lawful manner as provided in the indenture.

Principal of, and premium, if any, and interest, if any, on the notes at maturity will be payable upon presentation of the notes at the corporate trust office of the trustee, in The City of New York, as paying agent for National.

### **Maturity**

The entire principal amount of the notes, unless previously redeemed or otherwise repaid, will mature and become due and payable, together with any unpaid interest accrued to (but excluding) the maturity date, on April 15, 2018. In the event that the maturity date or any redemption date is not a business day, then payment of principal and any interest will be made on the next business day, without any interest or other payment in respect of the delay.

### **Ranking**

The notes will constitute National's direct unsecured general obligations and will rank equally with all of National's other senior, unsecured and unsubordinated debt from time to time outstanding.

### **Further Issuances of Notes**

National may, without the consent of the holders of the notes, create and issue additional notes ranking equally with the notes offered hereby and otherwise identical in all respects to the notes offered hereby (except for the issue price, the date from which interest first accrues and the first interest payment date). Such additional notes will form a single series with the notes offered hereby.

### **Optional Redemption**

National will have the right to redeem the notes, in whole or in part, at its option, at any time and from time to time prior to their stated maturity. National will provide written notice of its intent to redeem the notes not less than 30 nor more than 60 days prior to the redemption date. If National redeems all or any part of the notes, it will pay a "make-whole" redemption price equal to the greater of

- 100% of the principal amount of the notes being redeemed; and
- the sum of the present values of the remaining scheduled payments of principal of and interest on the notes being redeemed (excluding the portion of any such interest accrued to the redemption date), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 0.45%

plus, in each case, accrued interest on those notes to the redemption date.

"*Treasury Rate*" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"*Comparable Treasury Issue*" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be

utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

“*Comparable Treasury Price*” means, with respect to any redemption date, (i) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations or (ii) if National obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

“*Independent Investment Banker*” means an independent investment banking institution of national standing appointed by National.

“*Reference Treasury Dealers*” means primary U.S. Government securities dealers in New York City appointed by National.

“*Reference Treasury Dealer Quotation*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by National, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to National by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such redemption date.

If, at the time notice of redemption is given, the redemption moneys are not held by the trustee, the redemption may be made subject to their receipt on or before the date fixed for redemption and such notice shall be of no effect unless such moneys are so received. If the redemption notice is given and funds deposited as required by the indenture, then interest will cease to accrue on and after the redemption date on the notes or portions of notes called for redemption. If any redemption date is not a business day, National will pay the redemption price on the next business day without any interest or other payment due to the delay. If National does not deposit redemption moneys on or before the date fixed for redemption, the principal amount of the notes called for redemption will continue to bear interest at the rate indicated on the cover of this prospectus until paid.

### **Change of Control Offer**

If a change of control triggering event occurs, unless National has exercised its option to redeem such notes as described above, National will be required to make an offer (a “change of control offer”) to each holder of the notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of that holder’s notes on the terms set forth in such notes. In the change of control offer, National will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest, if any, on the notes repurchased to the date of repurchase (a “change of control payment”), subject to the right of holders of record on the applicable record date to receive interest due on the next interest payment date.

Within 30 days following any change of control triggering event or, at National’s option, prior to any change of control, but after public announcement of the transaction that constitutes or may constitute the change of control, a notice will be mailed to holders of the notes describing the transaction that constitutes or may constitute the change of control triggering event and offering to repurchase such notes on the date specified in the applicable notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (a “change of control payment date”). The notice, if mailed prior to the date of consummation of the change of control, will state that the change of control offer is conditioned on the change of control triggering event occurring on or prior to the applicable change of control payment date.

Upon the change of control payment date, National will, to the extent lawful:

- accept for payment all notes or portions of notes properly tendered and not withdrawn pursuant to the change of control offer;
- deposit with the paying agent an amount equal to the change of control payment in respect of all notes or portions of notes properly tendered; and

- deliver or cause to be delivered to the trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being repurchased.

National will not be required to make a change of control offer upon the occurrence of a change of control triggering event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by National and the third party repurchases all notes properly tendered and not withdrawn under its offer. In addition, National will not repurchase any notes if there has occurred and is continuing on the change of control payment date an event of default under the indenture, other than a default in the payment of the change of control payment upon a change of control triggering event.

National will comply with the applicable requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a change of control triggering event. To the extent that the provisions of any securities laws or regulations conflict with the change of control offer provisions of the notes, National will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the change of control offer provisions of the notes by virtue of any such conflict.

For purposes of the change of control offer provisions of the notes, the following terms will be applicable:

“*change of control*” means the occurrence of any of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of National's assets and the assets of National's subsidiaries, taken as a whole, to any person, other than National or one of National's subsidiaries; (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of National's outstanding voting stock or other voting stock into which National's voting stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; (3) National consolidates with, or merges with or into, any person, or any person consolidates with, or merges with or into, National, in any such event pursuant to a transaction in which any of National's outstanding voting stock or the voting stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of National's voting stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the voting stock of the surviving person or any direct or indirect parent company of the surviving person, measured by voting power rather than number of shares, immediately after giving effect to such transaction; (4) the first day on which a majority of the members of National's Board of Directors are not continuing directors; or (5) the adoption of a plan relating to National's liquidation or dissolution.

The term “person,” as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

“*change of control triggering event*” means the occurrence of both a change of control and a rating event.

“*continuing directors*” means, as of any date of determination, any member of National's Board of Directors who (1) was a member of such Board of Directors on the date the notes were issued or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the continuing directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of National's proxy statement in which such member was named as a nominee for election as a director).

“*Fitch*” means Fitch Ratings and its successors.

“*investment grade rating*” means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by National.

“*Moody’s*” means Moody’s Investors Service, Inc. and its successors.

“*rating agencies*” means (1) each of Fitch, Moody’s and S&P and (2) if any of Fitch, Moody’s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of National’s control, a “nationally recognized statistical rating organization” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by National (as certified by a resolution of National’s Board of Directors) as a replacement agency for Fitch, Moody’s or S&P, or all of them, as the case may be.

“*rating event*” means the rating on the notes is lowered by at least two of the three rating agencies and the notes are rated below an investment grade rating by at least two of the three rating agencies, in any case on any day during the period (which period will be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any of the rating agencies) commencing 60 days prior to the first public notice of the occurrence of a change of control or National’s intention to effect a change of control and ending 60 days following consummation of such change of control.

“*S&P*” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

“*voting stock*” means, with respect to any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Unless National defaults in the change of control payment, on and after the change of control payment date, interest will cease to accrue on the notes or portions of the notes tendered for repurchase pursuant to the change of control offer.

The definition of change of control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of “all or substantially all” of National’s assets and the assets of National’s subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require National to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of National’s assets and those of National’s subsidiaries taken as a whole to another person or group may be uncertain.

## **Registration and Transfer**

The transfer of notes may be registered, and notes may be exchanged for other notes of the same series, of authorized denominations and with the same terms and principal amount, at the corporate trust office of the trustee in The City of New York. National may change the place for registration of transfer and exchange of the notes and may designate additional places for such registration and exchange. No service charge will be made for any transfer or exchange of the notes. However, National may require payment to cover any tax or other governmental charge that may be imposed. National will not be required to execute or to provide for the registration of transfer of, or the exchange of, (a) any notes during a period of 15 days prior to giving any notice of redemption or (b) any note selected for redemption except the unredeemed portion of any notes being redeemed in part. (See Section 305.)

## **Satisfaction and Discharge**

National will be discharged from its obligations on the notes, or any portion of the principal amount of the notes, if it irrevocably deposits with the trustee sufficient cash or government securities to pay the principal, or portion of principal, interest, any premium and any other sums when due on the notes at their maturity, stated maturity date, or redemption. (See Section 701.)

The indenture will be deemed satisfied and discharged when none of the notes or any other debt securities remain outstanding and when National has paid all other sums payable by National under the indenture. (See Section 702.)

All moneys National pays to the trustee or any paying agent on the notes that remain unclaimed at the end of two years after payments have become due will be paid to or upon the order of National. Thereafter, the holder of such notes may look only to National for payment thereof. (See Section 603.)

### **Limitation on Liens on Subsidiary Capital Stock**

The indenture provides that National will not pledge, mortgage, hypothecate or grant a security interest in, or permit any pledge, mortgage, security interest or other lien upon, any capital stock of any of its majority-owned subsidiaries, which capital stock National now or hereafter directly owns, to secure any Indebtedness, as defined below, without also securing the notes (so long as the other Indebtedness shall be so secured) equally and ratably, with or, at National's option, prior to, the other Indebtedness and any other Indebtedness similarly entitled to be so secured.

This limitation does not apply to, or prevent the creation or existence of:

- (1) any pledge, mortgage, security interest, lien or encumbrance upon any such capital stock created at the time National acquires that capital stock or within 270 days after that time to secure the purchase price for that capital stock so acquired;
- (2) any pledge, mortgage, security interest, lien or encumbrance upon any such capital stock existing at the time National acquires that capital stock, whether or not National assumes the secured obligations; or
- (3) any extension, renewal, replacement or refunding of any pledge, mortgage, security interest, lien or encumbrance permitted by (1) and (2) above, or of any Indebtedness secured thereby; *provided*, that,
  - (a) the principal amount of Indebtedness so secured immediately after the extension, renewal, replacement or refunding may not exceed the principal amount of Indebtedness so secured immediately before the extension, renewal, replacement or refunding, and
  - (b) the extension, renewal, replacement or refunding of such pledge, mortgage, security interest, lien or encumbrance is limited to no more than the same proportion of all shares of capital stock as were covered by the pledge, mortgage, security interest, lien or encumbrance that was extended, renewed, refunded or replaced; or
- (4) any judgment, levy, execution, attachment or other similar lien arising in connection with court proceedings, *provided* that:
  - (a) the execution or enforcement of the lien is effectively stayed within 30 days after entry of the corresponding judgment, or the corresponding judgment has been discharged within such 30 day period, and the claims secured thereby are being contested in good faith by appropriate proceedings timely commenced and diligently prosecuted; or
  - (b) the payment of the lien is covered in full by insurance and the insurance company has not denied or contested coverage thereof; or
  - (c) so long as the lien is adequately bonded, any appropriate legal proceedings that may have been duly initiated for the review of the corresponding judgment, decree or order shall not have been fully terminated or the period within which these proceedings may be initiated shall not have expired.

Any pledge, mortgage, security interest, lien or encumbrance on any shares of the capital stock of any of the majority-owned subsidiaries of National, which shares of capital stock National now or hereafter directly owns, to secure any Indebtedness other than as described in (1) through (4) above, is referred to in this prospectus as a "Restricted Lien." This limitation on liens does not apply to the extent that National creates any Restricted Liens to

secure Indebtedness that, together with all other Indebtedness of National secured by Restricted Liens, does not at the time exceed 5% of National's Consolidated Capitalization. (See Section 608.)

For this purpose, "Consolidated Capitalization" means the sum of:

- (1) Consolidated Common Shareholders' Equity;
- (2) Consolidated Indebtedness, exclusive of any that is due and payable within one year of the date the sum is determined; and, without duplication
- (3) any preference or preferred stock of National or any Consolidated Subsidiary, as defined below, which is subject to mandatory redemption or sinking fund provisions.

The term "Consolidated Common Shareholders' Equity," as used above, means the total assets of National and its Consolidated Subsidiaries that would, in accordance with generally accepted accounting principles in the United States, be classified on a balance sheet as assets, less: (a) all liabilities of National and its Consolidated Subsidiaries that would, in accordance with generally accepted accounting principles in the United States, be classified on a balance sheet as liabilities; (b) minority interests owned by third parties in Consolidated Subsidiaries of National; and (c) preference or preferred stock of National and its Consolidated Subsidiaries only to the extent any such preference or preferred stock is subject to mandatory redemption or sinking fund provisions.

The term "Consolidated Indebtedness," as used above, means total indebtedness as shown on the consolidated balance sheet of National and its Consolidated Subsidiaries.

The term "Consolidated Subsidiary," as used above, means at any date any majority-owned subsidiary the financial statements of which under generally accepted accounting principles in the United States would be consolidated with those of National in its consolidated financial statements as of such date.

For purposes of the limitation described in the first paragraph under this heading, "Indebtedness" means:

- (1) all indebtedness created or assumed by National for the repayment of money borrowed;
- (2) all indebtedness for money borrowed secured by a lien upon capital stock owned by National and upon which indebtedness for money borrowed National customarily pays interest, although National has not assumed or become liable for the payment of such indebtedness for money borrowed; and
- (3) all indebtedness of others for money borrowed that is guaranteed as to payment of principal by National or in effect guaranteed by National through a contingent agreement to purchase such indebtedness for money borrowed, but excluding from this definition any other contingent obligation of National in respect of indebtedness for money borrowed or other obligations incurred by others.

The foregoing limitation does not limit in any manner the ability of: (1) National to place liens on any of its assets other than the capital stock of directly held, majority-owned subsidiaries; (2) National to cause the transfer of its assets or those of its subsidiaries, including the capital stock covered by the foregoing restrictions; or (3) any of the direct or indirect subsidiaries of National to place liens on any of their assets.

In addition, the indenture provides that if debentures issued by National under the indenture dated as of October 15, 1974, as supplemented (the "1974 indenture"), between National and The Bank of New York Mellon, as trustee, in an aggregate principal amount in excess of 5% of National's Consolidated Capitalization become secured pursuant to the provisions of the 1974 indenture, National will secure the notes and any other outstanding debt securities under the indenture equally and ratably with those debentures. If National secures the outstanding debt securities, as provided in the prior sentence, then if and for so long as the aggregate principal amount of the debentures secured pursuant to the 1974 indenture at any time decreases and as a result constitutes 5% or less of National's Consolidated Capitalization, the outstanding debt securities will no longer be secured. (See Section 608.)

As of June 30, 2008, the Consolidated Capitalization of National was approximately \$2.6 billion.

### **Consolidation, Merger, and Sale of Assets**

Under the terms of the indenture, National may not consolidate with or merge into any other entity or convey, transfer or lease its properties and assets substantially as an entirety to any entity, unless:

- the surviving or successor entity is organized and validly existing under the laws of any domestic jurisdiction and it expressly assumes National's obligations on all debt securities and under the indenture (including the notes);
- immediately after giving effect to the transaction, no event of default and no event that, after notice or lapse of time or both, would become an event of default shall have occurred and be continuing; and
- National shall have delivered to the trustee an officer's certificate and an opinion of counsel as to compliance with the foregoing.

The terms of the indenture do not restrict National in a merger in which National is the surviving entity. (See Section 1101.)

### **Events Of Default**

"Event of default" when used in the indenture with respect to the notes, means any of the following:

- failure to pay interest, if any, on the notes for 30 days after it is due;
- failure to pay the principal of or premium, if any, on the notes when due (whether at maturity or upon earlier redemption);
- failure to perform any other covenant in the indenture, other than a covenant that does not relate to the notes, that continues for 90 days after National receives written notice from the trustee, or National and the trustee receive a written notice from the holders of at least 33% in principal amount of the notes; however, the trustee or the trustee and the holders of such principal amount of the notes can agree to an extension of the 90 day period and such an agreement to extend will be automatically deemed to occur if National is diligently pursuing action to correct the default; or
- certain events in bankruptcy, insolvency or reorganization of National.

(See Section 801.)

The trustee may withhold notice to the holders of notes of any default, except default in the payment of principal, premium or interest, if it considers such withholding of notice to be in the interests of the holders. An event of default for a particular series of debt securities does not necessarily constitute an event of default for any other series of debt securities issued under the indenture.

### **Remedies**

#### *Acceleration of Maturity*

If an event of default with respect to the notes, but not all of the other series of debt securities, occurs and continues, either the trustee or the holders of at least 33% in principal amount of the notes may declare the entire principal amount of all the notes, together with accrued interest, to be due and payable immediately. However, if the event of default is applicable to all outstanding debt securities under the indenture, only the trustee or holders of at least 33% in principal amount of all outstanding debt securities of all series, voting as one class, and not the holders of any one series, including the notes, may make such a declaration of acceleration.

At any time after a declaration of acceleration with respect to the notes has been made and before a judgment or decree for payment of the money due has been obtained, the event of default giving rise to such declaration of acceleration will be considered waived, and such declaration and its consequences will be considered rescinded and annulled, if:

- National has paid or deposited with the trustee a sum sufficient to pay:
  - all overdue interest, if any, on all the notes;
  - the principal of and premium, if any, on any notes that have otherwise become due and interest, if any, that is currently due;
  - interest, if any, on overdue interest; and
  - all amounts due to the trustee under the indenture; and
- any other event of default with respect to the notes shall have been cured or waived as provided in the indenture.

There is no automatic acceleration, even in the event of bankruptcy, insolvency or reorganization of National. (See Section 802.)

#### *Right to Direct Proceedings*

Other than its duties in case of an event of default, the trustee is not obligated to exercise any of its rights or powers under the indenture at the request, order or direction of any of the holders, unless the holders offer the trustee a reasonable indemnity. (See Section 903.) If they provide a reasonable indemnity, the holders of a majority in principal amount of the notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any power conferred upon the trustee. However, if the event of default also relates to other series of debt securities, only the holders of a majority in aggregate principal amount of all affected series will have the right to give this direction. (See Section 812). The trustee is not obligated to comply with directions that conflict with law or other provisions of the indenture.

#### *Limitation on Right to Institute Proceedings*

No holder of any of the notes will have any right to institute any proceeding under the indenture, or to exercise any remedy under the indenture, unless:

- the holder has previously given to the trustee written notice of a continuing event of default;
- the holders of a majority in aggregate principal amount of the outstanding debt securities of all series in respect of which an event of default shall have occurred and be continuing have made a written request to the trustee, and have offered reasonable indemnity to the trustee to institute proceedings; and
- the trustee has failed to institute any proceeding for 60 days after notice and has not received any direction inconsistent with the written request of holders during such period.

(See Section 807.)

#### *No Impairment of Right to Receive Payment*

However, such limitations do not apply to a suit by a holder of a note for payment of the principal of or premium, if any, or interest, if any, on such note on or after the applicable due date. (See Section 808.)

### *Annual Notice to Trustee*

National will provide to the trustee an annual statement by an appropriate officer as to National's compliance with all conditions and covenants under the indenture. (See Section 606.)

### *Modification and Waiver*

National and the trustee may enter into one or more supplemental indentures without the consent of any holder of the notes for any of the following purposes:

- to evidence the assumption by any permitted successor of the covenants of National in the indenture and in the notes;
- to add additional covenants of National or to surrender any right or power of National under the indenture;
- to add additional events of default;
- to change, eliminate, or add any provision to the indenture; provided, however, if the change, elimination, or addition will adversely affect the interests of the holders of the notes in any material respect, such change, elimination, or addition will become effective only:
  - when the consent of the holders of the notes has been obtained in accordance with the indenture; or
  - when none of the notes remain outstanding under the indenture;
- to provide collateral security for all but not part of the notes;
- to establish the form or terms of the notes as permitted by the indenture;
- to provide for the authentication and delivery of bearer securities and coupons attached thereto;
- to evidence and provide for the acceptance of appointment of a successor trustee;
- to provide for the procedures required for use of a noncertificated system of registration for the notes;
- to change any place where principal, premium, if any, and interest shall be payable, notes may be surrendered for registration of transfer or exchange and notices to National may be served; or
- to cure any ambiguity or inconsistency or to make any other provisions with respect to matters and questions arising under the indenture; provided that such action shall not adversely affect the interests of the holders of the notes in any material respect.

(See Section 1201.)

The holders of at least a majority in aggregate principal amount of the debt securities of all series then outstanding may waive compliance by National with certain restrictive provisions of the indenture. (See Section 607.) The holders of not less than a majority in principal amount of the notes may waive any past default under the indenture with respect to the notes, except a default in the payment of principal, premium, if any, or interest and certain covenants and provisions of the indenture that cannot be modified or be amended without the consent of the holder of each outstanding note. (See Section 813.)

If the Trust Indenture Act of 1939 is amended after the date of the indenture in such a way as to require changes to the indenture, the indenture will be deemed to be amended so as to conform to such amendment of the Trust Indenture Act of 1939. National and the trustee may, without the consent of any holders, enter into one or more supplemental indentures to evidence such an amendment. (See Section 1201.)

The consent of the holders of a majority in aggregate principal amount of the debt securities of all series then outstanding is required for all other modifications to the indenture. However, if the notes, but not all the other series of debt securities outstanding, are directly affected by a proposed supplemental indenture, then the consent only of the holders of a majority in aggregate principal amount of all series that are directly affected will be required. No such amendment or modification may:

- change the stated maturity of the principal of, or any installment of principal of or interest on, any note, or reduce the principal amount of any note or its rate of interest or change the method of calculating such interest rate or reduce any premium payable upon redemption, or change the currency in which payments are made, or impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt security, without the consent of the holder;
- reduce the percentage in principal amount of the outstanding notes with respect to which consent is required for any supplemental indenture or any waiver of compliance with a provision of the indenture or any default thereunder and its consequences, or reduce the requirements for quorum or voting, without the consent of all the holders of the notes; or
- modify certain of the provisions of the indenture relating to supplemental indentures, waivers of certain covenants and waivers of past defaults with respect to the notes, without the consent of the holder of each outstanding note.

A supplemental indenture that changes the indenture solely for the benefit of one or more particular series of debt securities, or modifies the rights of the holders of debt securities of one or more series, will not affect the rights under the indenture of the holders of the debt securities of any other series. (See Section 1202.)

The indenture provides that debt securities owned by National or anyone else required to make payment on the debt securities shall be disregarded and considered not to be outstanding in determining whether the required holders have given a request or consent. (See Section 101.)

National may fix in advance a record date to determine the required number of holders entitled to give any request, demand, authorization, direction, notice, consent, waiver or other such act of the holders, but National shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other act of the holders may be given before or after such record date, but only the holders of record at the close of business on that record date will be considered holders for the purposes of determining whether holders of the required percentage of the outstanding debt securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other act of the holders. For that purpose, the outstanding debt securities shall be computed as of the record date. Any request, demand, authorization, direction, notice, consent, election, waiver or other act of a holder shall bind every future holder of the same debt securities and the holder of every debt security issued upon the registration of transfer of or in exchange of such debt securities. A transferee of any note will be bound by acts of the trustee or National taken in reliance thereon, whether or not notation of such action is made upon such note. (See Section 104.)

### **Resignation of the Trustee**

The trustee may resign at any time by giving written notice to National or may be removed at any time by act of the holders of a majority in principal amount of all series of debt securities then outstanding delivered to the trustee and National. No resignation or removal of the trustee and no appointment of a successor trustee will be effective until the acceptance of appointment by a successor trustee. So long as no event of default or event that, after notice or lapse of time, or both, would become an event of default has occurred and is continuing and except with respect to a trustee appointed by act of the holders, if National has delivered to the trustee a resolution of its Board of Directors appointing a successor trustee and such successor has accepted such appointment in accordance with the terms of the indenture, the trustee will be deemed to have resigned and the successor will be deemed to have been appointed as trustee in accordance with the indenture. (See Section 910.)

**Notices**

Notices to holders of the notes will be given by mail to the addresses of such holders as they may appear in the security register therefor. (See Section 106.)

**Title**

National, the trustee, and any agent of National or the trustee, may treat the person in whose name the notes are registered as the absolute owner thereof, whether or not such notes may be overdue, for the purpose of making payments and for all other purposes irrespective of notice to the contrary. (See Section 308.)

**Governing Law**

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York. (See Section 112.)

**Regarding The Trustee**

In addition to acting as trustee, The Bank of New York Mellon acts, and may act, as trustee under various indentures and trusts of National and its affiliates.

## BOOK-ENTRY; DELIVERY AND FORM

### Book-Entry System

#### *Book-Entry, Delivery and Form*

Except as set forth below, the new notes will be issued in registered, global form (a “Global Note” or the “Global Notes”) in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The Global Notes will be deposited upon issuance with the Trustee as custodian for The Depository Trust Company (“DTC”), in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below.

#### *Exchanges Among the Global Notes*

Any beneficial interest in one of the global notes that is transferred to a person who takes delivery in the form of an interest in another global note will, upon transfer, cease to be an interest in that global note and become an interest in the other global note and, accordingly, will then be subject to any transfer restrictions and other procedures applicable to beneficial interests in the other global note for as long as it remains such an interest.

#### *Book-Entry Procedures for the Global Notes*

The descriptions of the operations and procedures of DTC, Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, société anonyme (“Clearstream”) set forth below are provided solely as a matter of convenience and are not intended to serve as a representation or warranty of any kind. These operations and procedures are solely within the control of these settlement systems and are subject to change by them from time to time. National does not take any responsibility for these operations or procedures, and investors are urged to contact the relevant system and its participants directly to discuss these matters.

DTC has advised National:

- DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934.
- DTC holds securities that its participants deposit with DTC and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants’ accounts, thereby eliminating the need for physical movement of securities certificates.
- Direct participants include securities brokers and dealers, banks trust companies, clearing corporations and other organizations.
- Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.
- The rules applicable to DTC and its direct and indirect participants are on file with the SEC.

Clearstream has advised National that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between its customers through electronic book-entry changes in accounts of its customers, thereby eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of

the Financial Section. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a Clearstream customer either directly or indirectly.

Euroclear has advised National that it was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V, which is referred to as the Euroclear Operator, under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation, which is referred to as the Cooperative. All operations are conducted by the Euroclear Operator; and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers, and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly. The Euroclear Operator is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

National expects that under procedures established by DTC:

- upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants with portions of the principal amounts of the global notes; and
- ownership of the new notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in new notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the indenture and under the notes. Except as provided below, owners of beneficial interests in a global note will not be entitled to have new notes represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes and will not be considered the owners or holders thereof under the indenture or under the new notes for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of new notes under the indenture or a global note. National understands that under existing industry practice, if National requests any action of holders of new notes, or a holder that is an owner of a beneficial interest in a global note desires to take any action that DTC, as the holder of the global note, is entitled to take, then DTC would authorize its participants to take the action and the participants would authorize holders owning through participants to take the action or would otherwise act upon the instruction of such holders.

Neither National nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of new notes by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the notes.

Payments on the new notes represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. National expects that DTC or its nominee, upon receipt of any payment on the new notes represented by a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. National also expects that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments.

Distributions on the new notes held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law, which are referred to collectively as the Terms and Conditions. The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Distributions on the new notes held beneficially through Euroclear will be credited to the cash accounts of its participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for Euroclear.

#### *Clearance and Settlement Procedures*

Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds. Secondary market trading between Clearstream customers or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable, and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the U.S. depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadline (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions as to the U.S. depository to take action to effect final settlement on its behalf by delivering or receiving the new notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their U.S. depositories.

Because of time-zone differences, credits of the new notes received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in the new notes settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of the new notes by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures to facilitate transfers of the new notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.

#### *Certificated Notes*

National will issue certificated notes to each person that DTC identifies as the beneficial owner of the new notes represented by a global note upon surrender by DTC of the global note if:

- DTC notifies National that it is no longer willing or able to act as a depository for such global note or ceases to be a clearing agency registered under the Securities Exchange Act of 1934, and National has not appointed a successor depository within 90 days of that notice or becoming aware that DTC is no longer so registered;
- an event of default has occurred and is continuing, and DTC requests the issuance of certificated notes; or
- National determines not to have the new notes of such series represented by a global note.

Neither National nor the trustee will be liable for any delay by DTC, its nominee or any direct or indirect participant in identifying the beneficial owners of the notes. National and the trustee may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the certificated notes to be issued.

## U.S. FEDERAL INCOME TAX CONSEQUENCES

### General

The following is a summary of material U.S. federal income tax consequences of the exchange of original notes for new notes pursuant to this exchange offer, but does not address any other aspects of U.S. federal income tax consequences to holders of original notes or new notes (collectively referred to in this section as “notes”). This summary is based upon the Internal Revenue Code of 1986, as amended (the “Code”), the Treasury Regulations promulgated or proposed thereunder, and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change, possibly on a retroactive basis. This summary is not binding on the Internal Revenue Service (the “Service”), or on the courts, and no ruling will be sought from the Service with respect to the statements made and the conclusions reached in this summary. There can be no assurance that the Service will agree with such statements and conclusions.

This summary is limited to the U.S. federal income tax consequences of those persons who are the initial beneficial owners of original notes who purchased such original notes at their original issue price, who exchange original notes for new notes in this exchange offer and who hold notes as capital assets within the meaning of Section 1221 of the Code, whom we refer to as “Holders.” This summary does not address specific tax consequences that may be relevant to particular persons, including banks, financial institutions, broker dealers, insurance companies, real estate investment trusts, regulated investment companies, partnerships or other pass through entities, expatriates, tax exempt organizations and persons that have a functional currency other than the U.S. dollar or persons in special situations, such as those who have elected to mark securities to market or those who hold the notes as part of a straddle, hedge, conversion transaction or other integrated transaction. In addition, this summary does not address U.S. federal alternative minimum tax consequences, estate and gift tax consequences, consequences under the tax laws of any state, local or foreign jurisdiction, or consequences under any U.S. federal tax laws other than income tax law.

If a partnership or other entity taxable as a partnership holds notes, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the notes, you should consult your tax advisor regarding the tax consequences of the exchange of original notes for new notes pursuant to this exchange offer.

This summary is for general information only. Persons considering the exchange of original notes for new notes are urged to consult their own tax advisors concerning the U.S. federal income tax consequences to them of exchanging notes and of owning the original notes or the new notes, as well as the application of state, local and foreign tax laws and U.S. federal tax laws other than income tax law.

### Exchange of an Original Note for a New Note Pursuant to the Exchange Offer

The exchange of an original note for a new note pursuant to the exchange offer described herein will not constitute a taxable exchange for U.S. federal income tax purposes. Consequently, a Holder will not recognize gain or loss on such exchange, the Holder’s tax basis in the new note will be the same as its tax basis in the original note immediately before the exchange and the Holder’s holding period in the new note will include its holding period in the original note.

## PLAN OF DISTRIBUTION

If you wish to exchange your original notes in the exchange offer, you will be required to make representations to National as described in “The Exchange Offer—Exchange Offer Procedures” in this prospectus and in the letter of transmittal. In addition, each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired as a result of market-making activities or other trading activities. National has agreed that, for a period of one year after the expiration date of the exchange offer, National will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

National will not receive any proceeds from any sale of new notes by broker-dealers. New notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such new notes. Any broker-dealer that resells new notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit on any such resale of new notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

A broker dealer that acquired original notes directly from National cannot exchange the original notes in the exchange offer. Any holder who tenders in the exchange offer for the purpose of participating in a distribution of the new notes cannot rely on the no-action letters of the staff of the SEC and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

For a period of one year after the expiration date of the exchange offer, National will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. National has agreed to pay all expenses incident to the exchange offer, including the expenses of one counsel for the holders of the original notes, other than commissions or concessions of any brokers or dealers, and will indemnify the holders of the original notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act.

## **EXPERTS**

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended September 30, 2007 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The information incorporated in this prospectus by reference to National's Annual Report on Form 10-K for the year ended September 30, 2007, relating to the oil and gas reserves of Seneca Resources Corporation, which has been specifically attributed to Netherland, Sewell & Associates, Inc., has been reviewed and verified by said firm and has been included herein in reliance upon the authority of said firm as experts in petroleum engineering.

## **LEGAL MATTERS**

The validity of the notes and certain tax matters will be passed upon by Dewey & LeBoeuf LLP, New York, New York. However, all matters of New Jersey law will be passed upon only by Lowenstein Sandler PC, Roseland, New Jersey.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by National. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. Neither the delivery of this prospectus nor any sale made hereunder shall under any circumstances create any implication that the information herein is correct as of any time after the date hereof or that there has not been a change in the affairs of National since the date hereof.

, 2008



## **National Fuel Gas Company**

### **Offer to Exchange**

its

**6.50% Notes due 2018**  
**which have been registered under the Securities Act of 1933**  
**for any and all outstanding**  
**6.50% Notes due 2018**  
**which have not been registered under the Securities Act of 1933**

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## PART II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 14A:3-5 of the New Jersey Statutes Annotated provides:

##### **“INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES.**

(1) As used in this section,

(a) “Corporate agent” means any person who is or was a director, officer, employee or agent of the indemnifying corporation or of any constituent corporation absorbed by the indemnifying corporation in a consolidation or merger and any person who is or was a director, officer, trustee, employee or agent of any other enterprise, serving as such at the request of the indemnifying corporation, or of any such constituent corporation, or the legal representative of any such director, officer, trustee, employee or agent;

(b) “Other enterprise” means any domestic or foreign corporation, other than the indemnifying corporation, and any partnership, joint venture, sole proprietorship, trust or other enterprise, whether or not for profit, served by a corporate agent;

(c) “Expenses” means reasonable costs, disbursements and counsel fees;

(d) “Liabilities” means amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties;

(e) “Proceeding” means any pending, threatened or completed civil, criminal, administrative or arbitrate action, suit or proceeding, and any appeal therein and any inquiry or investigation which could lead to such action, suit or proceeding; and

(f) References to “other enterprises” include employee benefit plans; references to “fines” include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the indemnifying corporation” include any service as a corporate agent which imposes duties on, or involves services by, the corporate agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the corporation” as referred to in this section.

(2) Any corporation organized for any purpose under any general or special law of this State shall have the power to indemnify a corporate agent against his expenses and liabilities in connection with any proceeding involving the corporate agent by reason of his being or having been such a corporate agent, other than a proceeding by or in the right of the corporation, if

(a) such corporate agent acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation; and

(b) with respect to any criminal proceeding, such corporate agent had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that such corporate agent did not meet the applicable standards of conduct set forth in paragraphs 14A:3-5(2)(a) and 14A:3-5(2)(b).

(3) Any corporation organized for any purpose under any general or special law of this State shall have the power to indemnify a corporate agent against his expenses in connection with any

proceeding by or in the right of the corporation to procure a judgment in its favor which involves the corporate agent by reason of his being or having been such corporate agent, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation. However, in such proceeding no indemnification shall be provided in respect of any claim, issue or matter as to which such corporate agent shall have been adjudged to be liable to the corporation, unless and only to the extent that the Superior Court or the court in which such proceeding was brought shall determine upon application that despite the adjudication of liability, but in view of all circumstances of the case, such corporate agent is fairly and reasonably entitled to indemnity for such expenses as the Superior Court or such other court shall deem proper.

(4) Any corporation organized for any purpose under any general or special law of this State shall indemnify a corporate agent against expenses to the extent that such corporate agent has been successful on the merits or otherwise in any proceeding referred to in subsections 14A:3-5(2) and 14A:3-5(3) or in defense of any claim, issue or matter therein.

(5) Any indemnification under subsection 14A:3-5(2) and, unless ordered by a court, under subsection 14A:3-5(3), may be made by the corporation only as authorized in a specific case upon a determination that indemnification is proper in the circumstances because the corporate agent met the applicable standard of conduct set forth in subsection 14A:3-5(2) or subsection 14A:3-5(3). Unless otherwise provided in the certificate of incorporation or bylaws, such determination shall be made

(a) by the board of directors or a committee thereof, acting by a majority vote of a quorum consisting of directors who were not parties to or otherwise involved in the proceeding; or

(b) if such a quorum is not obtainable, or, even if obtainable and such quorum of the board of directors or committee by a majority vote of the disinterested directors so directs, by independent legal counsel, in a written opinion, such counsel to be designated by the board of directors; or

(c) by the shareholders if the certificate of incorporation or bylaws or a resolution of the board of directors or of the shareholders so directs.

(6) Expenses incurred by a corporate agent in connection with a proceeding may be paid by the corporation in advance of the final disposition of the proceeding as authorized by the board of directors upon receipt of an undertaking by or on behalf of the corporate agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified as provided in this section.

(7) (a) If a corporation upon application of a corporate agent has failed or refused to provide indemnification as required under subsection 14A:3-5(4) or permitted under subsections 14A:3-5(2), 14A:3-5(3) and 14A:3-5(6), a corporate agent may apply to a court for an award of indemnification by the corporation, and such court

(i) may award indemnification to the extent authorized under subsections 14A:3-5(2) and 14A:3-5(3) and shall award indemnification to the extent required under subsection 14A:3-5(4), notwithstanding any contrary determination which may have been made under subsection 14A:3-5(5); and

(ii) may allow reasonable expenses to the extent authorized by, and subject to the provisions of, subsection 14A:3-5(6), if the court shall find that the corporate agent has by his pleadings or during the course of the proceeding raised genuine issues of fact or law.

(b) Application for such indemnification may be made

(i) in the civil action in which the expenses were or are to be incurred or other amounts were or are to be paid; or

(ii) to the Superior Court in a separate proceeding. If the application is for indemnification arising out of a civil action, it shall set forth reasonable cause for the failure to make application for such relief in the action or proceeding in which the expenses were or are to be incurred or other amounts were or are to be paid.

The application shall set forth the disposition of any previous application for indemnification and shall be made in such manner and form as may be required by the applicable rules of court or, in the absence thereof, by direction of the court to which it is made. Such application shall be upon notice to the corporation. The court may also direct that notice shall be given at the expense of the corporation to the shareholders and such other persons as it may designate in such manner as it may require.

(8) The indemnification and advancement of expenses provided by or granted pursuant to the other subsections of this section shall not exclude any other rights, including the right to be indemnified against liabilities and expenses incurred in proceedings by or in the right of the corporation, to which a corporate agent may be entitled under a certificate of incorporation, bylaw, agreement, vote of shareholders, or otherwise; provided that no indemnification shall be made to or on behalf of a corporate agent if a judgment or other final adjudication adverse to the corporate agent establishes that his acts or omissions (a) were in breach of his duty of loyalty to the corporation or its shareholders, as defined in subsection (3) of N.J.S. 14A:2-7, (b) were not in good faith or involved a knowing violation of law or (c) resulted in receipt by the corporate agent of an improper personal benefit.

(9) Any corporation organized for any purpose under any general or special law of this State shall have the power to purchase and maintain insurance on behalf of any corporate agent against any expenses incurred in any proceeding and any liabilities asserted against him by reason of his being or having been a corporate agent, whether or not the corporation would have the power to indemnify him against such expenses and liabilities under the provisions of this section. The corporation may purchase such insurance from, or such insurance may be reinsured in whole or in part by, an insurer owned by or otherwise affiliated with the corporation, whether or not such insurer does business with other insureds.

(10) The powers granted by this section may be exercised by the corporation, notwithstanding the absence of any provision in its certificate of incorporation or bylaws authorizing the exercise of such powers.

(11) Except as required by subsection 14A:3-5(4), no indemnification shall be made or expenses advanced by a corporation under this section, and none shall be ordered by a court, if such action would be inconsistent with a provision of the certificate of incorporation, a bylaw, a resolution of the board of directors or of the shareholders, an agreement or other proper corporate action, in effect at the time of the accrual of the alleged cause of action asserted in the proceeding, which prohibits, limits or otherwise conditions the exercise of indemnification powers by the corporation or the rights of indemnification to which a corporate agent may be entitled.

(12) This section does not limit a corporation's power to pay or reimburse expenses incurred by a corporate agent in connection with the corporate agent's appearance as a witness in a proceeding at a time when the corporate agent has not been made a party to the proceeding."

### **Restated Certificate of Incorporation**

Article Ninth of National's Restated Certificate of Incorporation, as amended, provides as follows:

"No director or officer of this corporation shall be personally liable to the corporation or any of its shareholders for monetary damages for breach of any duty owed to the corporation or any of its shareholders, except to the extent that such exemption from liability is not permitted under the New Jersey Business Corporation Act, as the same exists or may hereafter be amended, or under any revision thereof or successor statute thereto."

## By-Laws

Article II, Section 8 of the By-Laws of National provides as follows:

“A. The Corporation shall indemnify any person who is or was a Director or officer of the Corporation, to the fullest extent permitted and in the manner provided by the laws of the State of New Jersey, including, without limitation, the indemnification permitted by N.J.S. 14A:3-5(8), against all liabilities (including amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties) and expenses (including, without limitation, attorneys’ fees and disbursements) imposed upon or incurred by such person in connection with any pending, threatened or completed civil, criminal, administrative or arbitative action, suit or proceeding, and any appeal therein and any inquiry or investigation which could lead to such action, suit or proceeding (“Proceeding”) in which such person may be made, or threatened to be made, a party, or in which such person may become involved by reason of such person being or having been a Director or officer of the Corporation, or of serving or having served at the request of the Corporation as a director, officer, trustee, employee or agent of, or in any other capacity with, another foreign or domestic corporation, or any partnership, joint venture, sole proprietorship, employee benefit plan, trust or other enterprise, whether or not for profit.

B. The right to indemnification conferred by this Section 8 shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition, and the Corporation shall, to the fullest extent permitted by law, promptly advance expenses (including, without limitation, attorneys’ fees and disbursements) that are incurred, from time to time, in connection therewith by any such current or former Director or officer of the Corporation, subject to the receipt by the Corporation of an undertaking of such person as required by law.

C. Nothing in this Section 8 shall restrict or limit the power of the Corporation to indemnify its employees, agents and other persons, to advance expenses (including attorneys’ fees) on their behalf and to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation in connection with any Proceeding.

D. The indemnification provided by this Section 8 shall not exclude any other rights to which a person seeking indemnification may be entitled under the Certificate of Incorporation, By-Laws, agreement, vote of shareholders or otherwise. The indemnification provided by this Section 8 shall continue as to a person who has ceased to be a Director or officer, and shall extend to the estate or personal representative of any deceased Director or officer.”

E. Any repeal or modification of this Section 8 shall not adversely affect any rights to indemnification and to the advancement of expenses of a Director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

### Indemnification Agreements

The Company has entered into an Indemnification Agreement with each of its directors (each, a “Director”). The Indemnification Agreement provides that the Company will indemnify Director against any and all expenses, judgments, costs, fines and amounts paid in settlement (collectively, “Losses”), to the fullest extent permitted by law, in connection with any present or future threatened, pending or completed proceeding based upon, arising from, relating to, or by reason of Director’s status as a director, officer, employee, agent or fiduciary of the Company or any other entity the Director serves at the request of the Company. In addition, the Company will advance, to the extent not prohibited by law, the expenses incurred by Director in connection with any proceeding.

No indemnification may be made to Director with respect to any proceeding if a final judgment adverse to Director establishes that Director engaged in disqualifying conduct. “Disqualifying conduct” means that Director’s actions or omissions (i) were in breach of Director’s duty of loyalty to the Company and its shareholders, (ii) were

not in good faith or involved a knowing violation of law, or (iii) resulted in the receipt by Director of an improper personal benefit.

Notwithstanding any other provision in the Indemnification Agreement, the Company will not be obligated to make any indemnity or advance in connection with any claim made against Director:

(a) for which payment has actually been made to Director under any insurance policy, other indemnity provision, contract or agreement;

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Director of securities of the Company that did, in fact, violate Section 16(b) of the Securities Exchange Act of 1934 (the "Exchange Act") or (ii) any reimbursement of the Company by Director of any bonus or other incentive-based or equity-based compensation or of any profits realized by Director from the sale of securities of the Company, as required in each case under the Exchange Act;

(c) except as otherwise provided in the Indemnification Agreement, in connection with any proceeding initiated by Director alone or in concert with others, including any proceeding initiated by Director against the Company or its directors, officers, employees or other Directors, unless (i) the Board of Directors authorized the proceeding prior to its initiation, or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; or

(d) in the event that the Company is advised, in a written opinion of its regular outside legal counsel, that the Company's performance of any provision of the Indemnification Agreement would violate Section 13(k) of the Exchange Act.

To the fullest extent permitted by applicable law, if the indemnification provided for in the Indemnification Agreement is unavailable to Director for any reason, then the Company will contribute to Losses incurred by Director in such proportion as reflects (a) the relative benefits received by the Company, on the one hand, and Director, on the other hand, as a result of the events or transactions giving rise to the proceeding, or (b) if the allocation described in clause (a) above is not permitted by applicable law, the relative fault of the Company, on the one hand, and Director, on the other hand, in connection with such events or transactions.

The Indemnification Agreement provides that, to the extent a change in New Jersey law permits greater indemnification or advancement of expenses than would be afforded under the Company's Certificate of Incorporation, By-laws and the Indemnification Agreement, it is the intent of the parties that Director will enjoy the greater benefits afforded by the change.

The Company also maintains directors' and officers' liability insurance coverage with respect to acts or omissions by such directors and officers in their capacity as such.

## **ITEM 21. Exhibits and Financial Statement Schedules**

See Index to Exhibits preceding the Exhibits included as part of this Registration Statement.

## **Item 22. Undertakings.**

The undersigned registrant hereby undertakes:

(a)(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any acts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any

increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a twenty percent (20%) change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) If the registrant is relying on Rule 430B:

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is a part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(ii) If the registration is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications,

the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form S-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(e) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired, involved therein, that was not the subject of and included in the registration statement when it became effective.

## POWER OF ATTORNEY

Each director and/or officer of the registrant whose signature appears below hereby appoints the agents for service named in this registration statement, and each of them severally, as his attorney-in-fact to sign in his name and on his behalf, in any and all capacities stated below, and to file with the SEC, any and all amendments, including post-effective amendments, to this registration statement, and the registrant hereby also appoints each such agent for service as its attorney-in-fact with the authority to sign and file any such amendments in its name and behalf.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Amherst, State of New York, on the 7th day of November, 2008.

### NATIONAL FUEL GAS COMPANY

By: /s/ D. F. Smith  
D. F. Smith  
*President and Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ P. C. Ackerman</u> P. C. Ackerman	Chairman of the Board of Directors	November 7, 2008
<u>/s/ D. F. Smith</u> D. F. Smith	President, Chief Executive Officer and Director	November 7, 2008
<u>/s/ R. J. Tanski</u> R. J. Tanski	Treasurer and Principal Financial Officer	November 7, 2008
<u>/s/ K. M. Camiolo</u> K. M. Camiolo	Controller and Principal Accounting Officer	November 7, 2008
<u>/s/ R. T. Brady</u> R. T. Brady	Director	November 7, 2008
<u>/s/ R. D. Cash</u> R. D. Cash	Director	November 7, 2008
<u>/s/ S. E. Ewing</u> S. E. Ewing	Director	November 7, 2008

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<u>/s/ R. E. Kidder</u> R. E. Kidder	Director	November 7, 2008
<u>/s/ C. G. Matthews</u> C. G. Matthews	Director	November 7, 2008



## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description of Document</b>
1.1	Registration Rights Agreement, dated April 11, 2008 among National Fuel Gas Company and Banc of America Securities LLC, BNY Mellon Capital Markets, Inc. and J.P. Morgan Securities Inc., as representatives of several initial purchasers
3.1*	Restated Certificate of Incorporation of National Fuel Gas Company dated September 21, 1998 (Exhibit 3.1, Form 10-K for fiscal year ended September 30, 1998 in File No. 1-3880)
3.2*	Certificate of Amendment of Restated Certificate of Incorporation (Exhibit 3(ii), Form 8-K dated March 14, 2005 in File No. 1-3880)
3.3*	National Fuel Gas Company By-Laws as amended June 11, 2008 (Exhibit 3.1, Form 8-K dated June 11, 2008 in File No. 1-3880)
4.1*	Indenture dated as of October 1, 1999, between the Company and The Bank of New York Mellon (Exhibit 4.1, Form 10-K for fiscal year ended September 30, 1999 in File No. 1-3880)
4.2*	Officer's Certificate establishing the terms of 6.50% Notes due 2018, dated April 11, 2008 (Exhibit 4.1, Form 10-Q for the quarterly period ended June 30, 2008 in File No. 1-3880)
4.3*	Form of 6.50% Notes due 2018 (included as Exhibit A to Exhibit 4.2 above)
5.1	Opinion of Dewey & LeBoeuf LLP
5.2	Opinion of Lowenstein Sandler PC
8.1	Tax Opinion of Dewey & LeBoeuf LLP (included in Exhibit 5.1)
12.1	Statement regarding computation of Ratio of Earnings to Fixed Charges
21.1*	Subsidiaries of the Registrant (Exhibit 21, Form 10-K for fiscal year ended September 30, 2007 in File No. 1-3880)
23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of Netherland, Sewell & Associates, Inc. regarding Seneca Resources Corporation
23.3	Consent of Dewey & LeBoeuf LLP (included in Exhibit 5.1)
23.4	Consent of Lowenstein Sandler PC (included in Exhibit 5.2)
24.1	Powers of Attorney (included in signature page)
25.1	Statement of Eligibility of Trustee on Form T-1 of The Bank of New York Mellon
99.1	Form of Letter of Transmittal
99.2	Form of Notice of Guaranteed Delivery
99.3	Form of Letter to Registered Holders and DTC Participants



99.5 Form of Letter to Clients

99.6 Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9

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\* Previously filed.

# **National Fuel Gas Company**

**\$300,000,000**

**6.50% Notes due 2018**

## **REGISTRATION RIGHTS AGREEMENT**

**April 11, 2008**

**Banc of America Securities LLC  
BNY Capital Markets, Inc.  
J.P. Morgan Securities Inc.**

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## Registration Rights Agreement

THIS REGISTRATION RIGHTS AGREEMENT (this “Agreement”) is made and entered into on April 11, 2008 between National Fuel Gas Company, a New Jersey corporation (the “Company”), and the Initial Purchasers (as defined below).

This Agreement is made pursuant to the Purchase Agreement dated April 8, 2008 (the “Purchase Agreement”), by and among the Company, as issuer of \$300,000,000 aggregate principal amount of 6.50% Notes due 2018 (the “Notes”), and the Initial Purchasers, which provides for, among other things, the sale by the Company to the Initial Purchasers of the aggregate principal amount of Notes specified therein. In order to induce the Initial Purchasers to enter into the Purchase Agreement, the Company has agreed to provide to the Initial Purchasers and their direct and indirect transferees the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the closing under the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

Section 1. *Definitions.* As used in this Agreement, the following capitalized defined terms shall have the following meanings:

“Additional Interest” shall have the meaning set forth in Section 2(e)(i) hereof.

“Advice” shall have the meaning set forth in the last paragraph of Section 3 hereof.

“Affiliate” shall have the meaning given to that term in Rule 405 under the Securities Act or any successor rule thereunder.

“Agreement” shall have the meaning set forth in the preamble to this Agreement.

“Applicable Period” shall have the meaning set forth in Section 3(u) hereof.

“Auditing Standards” shall mean Statement on Auditing Standards No. 72, “Letters for Underwriters and Certain Other Requesting Parties,” issued by the American Institute of Certified Public Accountants or successor thereto.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or on which the corporate trust office of the Trustee is closed for business.

“Closing Date” shall mean April 11, 2008, the initial date of delivery of the Notes from the Company to the Initial Purchasers.

“Company” shall have the meaning set forth in the preamble to this Agreement and also includes the Company’s successors and permitted assigns.

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“Depository” shall mean The Depository Trust Company, or any other depository appointed by the Company; *provided, however*, that such depository must have an address in the Borough of Manhattan, The City of New York.

“Effectiveness Period” shall have the meaning set forth in Section 2(b) hereof.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.

“Exchange Notes” shall mean the 6.50% Notes due 2018 issued by the Company under the Indenture containing terms identical in all material respects to the Notes (except that (i) interest thereon shall accrue from the last date on which interest was paid or duly provided for on the Notes or, if no such interest has been paid, from the date of their original issue, (ii) they will not contain terms with respect to transfer restrictions under the Securities Act, and (iii) except for Exchange Notes held by Participating Broker-Dealers, they will not provide for any Additional Interest thereon).

“Exchange Offer” shall mean the offer by the Company to the Holders to exchange all of the Registrable Notes held by each such Holder for a like amount of Exchange Notes pursuant to Section 2(a) hereof.

“Exchange Offer Registration” shall mean a registration under the Securities Act effected pursuant to Section 2(a) hereof.

“Exchange Offer Registration Statement” shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form), and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all documents incorporated by reference therein.

“Exchange Period” shall have the meaning set forth in Section 2(a) hereof.

“FINRA” shall mean the Financial Industry Regulatory Authority, Inc.

“Holder” shall mean any Initial Purchaser, for so long as it owns any Registrable Notes, and each of its successors, assigns and direct and indirect transferees who become registered owners of Registrable Notes under the Indenture.

“Indenture” shall mean an indenture, dated as of October 1, 1999, between the Company and The Bank of New York, as trustee, including an Officer’s Certificate establishing the terms of the Notes pursuant thereto, as the same may be amended or supplemented from time to time in accordance with the terms thereof.

“Initial Purchasers” shall mean Banc of America Securities LLC, BNY Capital Markets, Inc., J.P. Morgan Securities Inc., HSBC Securities (USA) Inc., Mitsubishi UFJ Securities International plc, NatCity Investments, Inc. and PNC Capital Markets LLC.

“Inspectors” shall have the meaning set forth in Section 3(p) hereof.

“Majority Holders” shall mean the Holders of a majority of the aggregate principal amount of outstanding Notes or Exchange Notes, as the case may be.

“Notes” shall have the meaning set forth in the preamble to this Agreement.

“Participating Broker-Dealer” shall have the meaning set forth in Section 3(u) hereof.

“Person” shall mean an individual, partnership, corporation, trust or unincorporated organization, limited liability company, or a government or agency or political subdivision thereof or other legal entity.

“Prospectus” shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Notes covered by a Shelf Registration Statement, and by all other amendments and supplements to a prospectus, including post-effective amendments, and in each case including all documents incorporated by reference therein.

“Purchase Agreement” shall have the meaning set forth in the preamble to this Agreement.

“Records” shall have the meaning set forth in Section 3(p) hereof.

“Registrable Notes” shall mean the Notes, until the earliest to occur of (i) the date on which any Note has been exchanged by a Person other than a Participating Broker-Dealer for Exchange Notes in the Exchange Offer, (ii) following the exchange by a Participating Broker-Dealer in the Exchange Offer of any Note for one or more Exchange Notes, the date on which such Exchange Notes are sold to a purchaser in accordance with the Exchange Offer Registration Statement, (iii) the date on which any Note has been registered under the Securities Act and disposed of in accordance with a Shelf Registration Statement and (iv) the date on which any Note is eligible to be distributed to the public pursuant to Rule 144 under the Securities Act (or any successor provision thereof) without the satisfaction of any conditions except the applicable holding period set forth therein.

“Registration Expenses” shall mean any and all expenses incident to performance of or compliance by the Company with this Agreement, including without limitation: (i) all SEC or FINRA registration and filing fees, including, if applicable, the fees and expenses of any “qualified independent underwriter” (and its counsel) that is required to be retained by any Holder of Registrable Notes in accordance with the rules and regulations of the FINRA, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of one counsel for all underwriters and Holders as a group in connection with blue sky qualification of any of the Exchange Notes or the Registrable Notes) and compliance with the rules of the FINRA, (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus and any amendments or supplements thereto, and in preparing or assisting in preparing, printing and distributing any underwriting agreements, securities sale agreements and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) all reasonable fees and disbursements of counsel for

the Company and of the independent registered public accountants and independent engineer of the Company, including the expenses of any “cold comfort” or similar letters required by or incident to the performance of and compliance with this Agreement, (vi) all reasonable fees and expenses of the Trustee and its counsel and any exchange agent or custodian and (vii) all reasonable fees and expenses of any special experts retained by the Company in connection with any Registration Statement.

“Registration Statement” shall mean any registration statement of the Company that covers any of the Exchange Notes or the Registrable Notes pursuant to the provisions of this Agreement, and all amendments and supplements to any such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all documents incorporated by reference therein.

“Rule 144 Period” shall mean the period of one year (or such shorter period as may hereafter be referred to in Rule 144 under the Securities Act (or similar successor rule) permitting Holders who are not Affiliates of the Company to resell Registrable Notes without any conditions) commencing on the Closing Date.

“SEC” shall mean the Securities and Exchange Commission.

“Securities Act” shall mean the Securities Act of 1933, as amended from time to time.

“Shelf Registration” shall mean a registration effected pursuant to Section 2(b) hereof.

“Shelf Registration Event” shall have the meaning set forth in Section 2(b) hereof.

“Shelf Registration Event Date” shall have the meaning set forth in Section 2(b) hereof.

“Shelf Registration Statement” shall mean a “shelf” registration statement of the Company pursuant to the provisions of Section 2(b) hereof that covers all of the Registrable Notes (except Registrable Notes that the Holders have elected not to include in such registration statement or the Holders of which have not complied with their obligations under the penultimate paragraph of Section 3 hereof or under the first paragraph of Section 2(b) hereof) on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all documents incorporated by reference therein.

“Trust Indenture Act” shall mean the Trust Indenture Act of 1939, as amended from time to time.

“Trustee” shall mean the trustee under the Indenture.

## Section 2. Registration Under the Securities Act .

(a) *Exchange Offer*. Except as set forth in Section 2(b) hereof, the Company shall, for the benefit of the Holders, at the Company’s cost, (i) prepare and file with the SEC, no later than 230 calendar days after the Closing Date, the Exchange Offer Registration Statement

on an appropriate form under the Securities Act relating to the Exchange Offer, (ii) use its reasonable best efforts to cause the Exchange Offer Registration Statement to be declared effective under the Securities Act by the SEC as soon as practicable after the date on which the Registration Statement is required to be filed pursuant to clause (i) above, but in no event later than 275 calendar days after the Closing Date, (iii) provided the Exchange Offer Registration Statement has been declared effective under the Securities Act by the SEC, use its reasonable best efforts to keep the Exchange Offer Registration Statement effective until the completion of the Exchange Offer and (iv) provided the Exchange Offer Registration Statement has been declared effective under the Securities Act by the SEC, (A) commence the Exchange Offer and keep the Exchange Offer open for not less than 20 Business Days, or longer if required by applicable law, after the date on which the Exchange Offer Registration Statement was declared effective by the SEC (such period referred to herein as the “Exchange Period”), (B) use its reasonable best efforts to cause the Exchange Offer to be completed not later than 45 calendar days after the date on which the Exchange Offer Registration Statement was declared effective by the SEC and (C) at the termination thereof issue Exchange Notes in exchange for all Registrable Notes tendered prior thereto in the Exchange Offer.

In connection with the Exchange Offer, the Company shall:

- (i) mail to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;
- (ii) use the services of the Depository for the Exchange Offer with respect to Notes represented by a global certificate;
- (iii) permit Holders to withdraw tendered Registrable Notes at any time prior to the close of business, New York City time, on the last Business Day of the Exchange Period, by sending to the institution specified in the notice to Holders, a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Notes delivered for exchange, and a statement that such Holder is withdrawing its election to have such Registrable Notes exchanged;
- (iv) notify each Holder that any Registrable Note not tendered by such Holder in the Exchange Offer will remain outstanding and continue to accrue interest but will not retain any rights under this Agreement (except in the case of the Initial Purchasers and Participating Broker-Dealers as provided herein); and
- (v) otherwise comply in all material respects with all applicable laws and regulations relating to the Exchange Offer.

As soon as practicable after the completion of the Exchange Offer, the Company shall:

- (i) accept for exchange all Registrable Notes or portions thereof duly tendered and not validly withdrawn pursuant to the Exchange Offer in accordance with the terms of the Exchange Offer Registration Statement and letter of transmittal;

(ii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Notes or portions thereof so accepted for exchange by the Company; and

(iii) issue, and cause the Trustee under the Indenture to promptly authenticate and deliver to each Holder, Exchange Notes equal in principal amount to the principal amount of the Notes as are surrendered by such Holder and accepted for exchange by the Company.

Interest on each Exchange Note issued pursuant to the Exchange Offer will accrue from the last date on which interest was paid or duly provided for on the Note surrendered in exchange therefor or, if no interest has been paid on such Note, from the date of original issue of such Note. To the extent not prohibited by any judicial order, judgment, law, regulation or applicable interpretation of the staff of the SEC, the Company shall use its reasonable best efforts to complete the Exchange Offer as provided above, and shall comply with the applicable requirements of the Securities Act, the Exchange Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions other than the conditions referred to in clause (i) or (ii) of Section 2(b) hereof and those conditions that are customary in similar exchange offers, except as may be required by applicable law. Each Holder of Registrable Notes who wishes to exchange such Registrable Notes for Exchange Notes in the Exchange Offer will be required, as a condition to participating in the Exchange Offer, to make certain customary representations in connection therewith, including, in the case of any Holder, representations that (i) it is not an Affiliate of the Company, (ii) it is not a broker-dealer tendering Registrable Notes acquired directly from the Company for its own account, (iii) the Notes being exchanged, and the Exchange Notes to be received, by it have been or are being acquired in the ordinary course of its business and (iv) at the time of the Exchange Offer, it has no arrangements or understandings with any Person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes. The Company shall inform the Initial Purchasers, after consultation with the Trustee, of the names and addresses of the Holders to whom the Exchange Offer is made, and the Initial Purchasers shall have the right to contact such Holders in order to facilitate the tender of Registrable Notes in the Exchange Offer.

Upon consummation of the Exchange Offer in accordance with this Section 2(a), the provisions of this Agreement shall continue to apply, *mutatis mutandis*, solely with respect to Notes or Exchange Notes held by Initial Purchasers and Participating Broker-Dealers, and the Company shall have no further obligation to register the Registrable Notes held by any other Holder pursuant to Section 2(b) hereof.

(b) *Shelf Registration.* If (i) because of any change in law or regulation or in currently prevailing interpretations thereof by the staff of the SEC, the Company is not permitted to effect the Exchange Offer as contemplated by Section 2(a) hereof, (ii) the Exchange Offer is not consummated within 320 calendar days after the Closing Date or (iii) any Holder of Registrable Notes that is a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) shall notify the Company prior to the 20th calendar day following the consummation of the Exchange Offer that such Holder (A) was prohibited by applicable law or SEC policy from participating in the Exchange Offer, (B) may not resell the Exchange Notes acquired by it in the Exchange Offer to the public without delivering a prospectus and the

Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder or (C) is a Participating Broker-Dealer and holds Notes acquired directly from the Company or one of its Affiliates (any of the events specified in clause (i), (ii) or (iii) above, a “Shelf Registration Event,” and the date of the occurrence thereof, the “Shelf Registration Event Date”), then in addition to or in lieu of conducting the Exchange Offer contemplated by Section 2(a) hereof, as the case may be, the Company shall promptly notify the Holders in writing thereof and shall, at its cost, file with the SEC as promptly as practicable after the Shelf Registration Event Date and, in any event, on or prior to the later of (1) 30 calendar days after the Shelf Registration Event Date and (2) 230 calendar days after the Closing Date, a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Notes (other than Registrable Notes owned by Holders who have elected not to include such Registrable Notes in such Shelf Registration Statement or who have not complied with their obligations under the penultimate paragraph of Section 3 hereof or under this paragraph) and shall use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective by the SEC as soon as practicable and, in any event, on or prior to the later of (1) 75 calendar days after the Shelf Registration Event Date and (2) 275 calendar days after the Closing Date. No Holder of Registrable Notes shall be entitled to include any of its Registrable Notes in any Shelf Registration pursuant to this Agreement unless and until such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder and furnishes to the Company in writing, within 15 calendar days after receipt of a request therefor, such information as the Company may, after conferring with counsel with regard to information relating to Holders that would be required by the SEC to be included in such Shelf Registration Statement or Prospectus included therein, reasonably request for inclusion in any Shelf Registration Statement or Prospectus included therein. Each Holder as to which any Shelf Registration is being effected agrees to furnish to the Company, without request and as soon as practicable, all information with respect to such Holder necessary to make the information previously furnished to the Company by such Holder not materially misleading. For purposes of this Agreement, any reference to the term “declared effective” with respect to a Shelf Registration Statement that is an “automatic shelf registration statement” (within the meaning of Rule 405 under the Securities Act) shall be deemed to mean the effectiveness of such Shelf Registration Statement upon its filing with the SEC pursuant to Rule 462(c) under the Securities Act.

The Company agrees to use its reasonable best efforts to keep any Shelf Registration Statement continuously effective and the Prospectus usable for resales during the period that ends on the earlier of (1) the expiration of the Rule 144 Period and (2) such time as all of the Notes covered by such Shelf Registration Statement have been sold pursuant thereto or cease to be Registrable Notes (the period from the effective date of such Shelf Registration Statement until the earlier of the events described in clauses (1) and (2) above, the “Effectiveness Period”). The Company shall not permit any securities other than Registrable Notes to be included in such Shelf Registration. The Company will, in the event such Shelf Registration Statement is declared effective, provide to each Holder of Registrable Notes covered thereby, a reasonable number of copies of the Prospectus that is a part of such Shelf Registration Statement, notify each such Holder when such Shelf Registration has become effective and take any other action required to permit unrestricted resales of the Registrable Notes. The Company further agrees to supplement or amend such Shelf Registration Statement, if required by the rules, regulations or instructions applicable to the registration form used by the Company for such

Shelf Registration Statement or by the Securities Act or by any other rules and regulations thereunder for shelf registrations, and the Company agrees to furnish to the Holders of Registrable Notes covered by such Shelf Registration Statement copies of any such supplement or amendment promptly after its being used or filed with the SEC.

(c) *Expenses.* The Company shall pay all Registration Expenses in connection with any Registration Statement filed pursuant to Section 2(a) or 2(b) hereof and will reimburse the Initial Purchasers for the reasonable fees and disbursements incurred by the firm of counsel in connection with the Exchange Offer. Except as provided herein, each Holder shall pay all expenses of its counsel, underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Notes pursuant to such Shelf Registration Statement.

(d) *Effective Registration Statement.* The Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the SEC; *provided, however*, that if, after it has been declared effective, the offering of Registrable Notes pursuant to such Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement will be deemed not to have been effective during the period of such interference, until the offering of Registrable Notes pursuant to such Registration Statement may legally resume. The Company will be deemed not to have used its reasonable best efforts to cause such Registration Statement to become, or to remain, effective during the requisite period if it voluntarily takes any action that would result in any such Registration Statement not being declared effective or that would result in the otherwise eligible Holders of Registrable Notes covered thereby not being able to exchange or offer and sell such Registrable Notes during that period, unless such action is required by applicable law or regulation or otherwise permitted by provisions of this Agreement.

(e) *Additional Interest.* In the event that:

(i) the Exchange Offer Registration Statement is not filed with the SEC on or prior to the 230th calendar day after the Closing Date, then, commencing on the 231st calendar day after the Closing Date, additional interest (the "Additional Interest") shall accrue on the principal amount of the Registrable Notes over and above the otherwise applicable interest rate at a rate of 0.25% per annum, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days;

(ii) the Exchange Offer Registration Statement is not declared effective by the SEC on or prior to the 275th calendar day after the Closing Date, then, commencing on the 276th calendar day after the Closing Date, Additional Interest shall accrue on the principal amount of the Registrable Notes over and above the otherwise applicable interest rate at a rate of 0.25% per annum, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days;

(iii) the Company has not exchanged Exchange Notes for all Notes validly tendered and not validly withdrawn, in accordance with the terms of the Exchange Offer, on or prior to the 320th calendar day after the Closing Date, then, commencing on the 321st calendar day after the Closing Date, Additional Interest shall accrue on the principal amount of the Registrable Notes over and above the otherwise applicable interest rate at the rate of 0.25% per annum, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days;

(iv) (A) if a Shelf Registration Statement is required to be filed pursuant to Section 2(b) hereof as a result of a Shelf Registration Event but is not filed with the SEC on or prior to the later of (1) 30 calendar days after the Shelf Registration Event Date and (2) 230 calendar days after the Closing Date or (B) if a Shelf Registration Statement is required to be filed pursuant to Section 2(b) hereof as a result of a Shelf Registration Event but is not declared effective by the SEC on or prior to the later of (1) 75 calendar days after the Shelf Registration Event Date and (2) 275 calendar days after the Closing Date, then, commencing on the date after the Shelf Registration Event Date determined pursuant to either clause (A) or (B) above, as the case may be, Additional Interest shall accrue on the principal amount of the Registrable Notes over and above the otherwise applicable interest rate at the rate of 0.25% per annum, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days;

(v) the Exchange Offer Registration Statement has been declared effective and ceases to be continuously effective or the Prospectus contained therein ceases to be usable for its intended purpose (A) at any time prior to the expiration of the Applicable Period or (B) if related to corporate developments, public filings with the SEC or similar events or because the Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, and such failure continues for more than 45 days (whether or not consecutive and whether or not arising out of a single or multiple circumstances) in any 12-month period, Additional Interest shall accrue on the principal amount of the Registrable Notes over and above the otherwise applicable interest rate at a rate of 0.25% per annum commencing on the day that, in the case of clause (A) above, or the 46th cumulative day after, in the case of clause (B) above, the Exchange Offer Registration Statement ceases to be effective or the Prospectus ceases to be usable for its intended purposes, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days; or

(vi) a Shelf Registration Statement has been declared effective and ceases to be continuously effective or the Prospectus contained therein ceases to be usable for resales (A) at any time prior to the expiration of the Effectiveness Period or (B) if related to corporate developments, public filings with the SEC or similar events or because the Prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, and such failure continues for more than 45 days (whether or not consecutive and whether or not arising out of a single or multiple circumstances) in any 12-month period, Additional Interest shall accrue on the principal amount of the

Registrable Notes over and above the otherwise applicable interest rate at a rate of 0.25% per annum commencing on the day that, in the case of clause (A) above, or the 46th cumulative day after, in the case of clause (B) above, such Shelf Registration Statement ceases to be effective or the Prospectus ceases to be usable for resales, plus an additional 0.25% per annum from and during any period in which such event has continued for more than 90 calendar days;

*provided, however*, that the aggregate amount of Additional Interest in respect of the Registrable Notes may not exceed 0.50% per annum (regardless of whether multiple events triggering Additional Interest under this Section 2(e) exist); *provided further, however*, that (1) upon the filing of the Exchange Offer Registration Statement (in the case of clause (i) above), (2) upon the effectiveness of the Exchange Offer Registration Statement (in the case of clause (ii) above), (3) upon the exchange of Exchange Notes for all Notes validly tendered and not validly withdrawn (in the case of clause (iii) above), (4) upon the filing of such Shelf Registration Statement (in the case of clause (iv)(A) above) or upon the effectiveness of such Shelf Registration Statement (in the case of clause (iv)(B) above), (5) upon the earlier of (x) such time as the Exchange Offer Registration Statement that had ceased to remain effective or the Prospectus that had ceased to be usable for its intended purpose again becomes effective and usable for its intended purpose, as applicable, and (y) the expiration of the Applicable Period (each in the case of clause (v) above), and (6) upon the earlier of (x) such time as such Shelf Registration Statement that had ceased to remain effective or the Prospectus that had ceased to be usable for resales again becomes effective and usable for resales, as applicable, and (y) the expiration of the Effectiveness Period (each in the case of clause (vi) above), Additional Interest on the principal amount of the Registrable Notes as a result of such clause (or the relevant subclause thereof) shall cease to accrue; *provided further, however*, that if (i) the Holders do not make the representations required by Section 2(a) hereof or (ii) the Company shall request Holders to provide the information required by the SEC for inclusion in such Shelf Registration Statement, when required pursuant to Section 2(b) hereof, then the Notes owned by Holders who do not provide such representations or information, as the case may be, when required will not be entitled to any Additional Interest for any day after the Closing Date, regardless of the existence of any events that would otherwise trigger Additional Interest under this Section 2(e) for such Holders.

Any Additional Interest due pursuant to clause (i), (ii), (iii), (iv), (v) or (vi) of this Section 2(e) will be payable in cash on the next succeeding April 15 or October 15, as the case may be, to eligible Holders (as determined under this Section 2(e)) on the relevant record dates for the payment of interest pursuant to the Indenture.

(f) *Specific Enforcement.* Without limiting the remedies available to the Holders, the Company acknowledges that any failure by the Company to comply with its obligations under Sections 2(a) and 2(b) hereof may result in material irreparable injury to the Holders for which there is no adequate remedy at law, that it would not be possible to measure damages for such injuries precisely and that, in the event of any such failure, any Holder may obtain such relief as may be required to specifically enforce the Company's obligations under Sections 2(a) and 2(b) hereof.

Section 3. Registration Procedures. In connection with the obligations of the Company with respect to any Registration Statements pursuant to Sections 2(a) and 2(b) hereof, the Company shall:

(a) prepare and file with the SEC a Registration Statement or Registration Statements as prescribed by Sections 2(a) and 2(b) hereof within the relevant time period specified in Section 2 hereof on the appropriate form under the Securities Act, which form shall (i) be selected by the Company, (ii) in the case of a Shelf Registration, be available for the sale of the Registrable Notes by the selling Holders thereof and, in the case of an Exchange Offer, be available for the exchange of Registrable Notes, and (iii) comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith; and use its reasonable best efforts to cause such Registration Statement to become effective and remain effective (and, in the case of a Shelf Registration Statement, the Prospectus to be usable for resales) in accordance with Section 2 hereof; *provided, however*, that if (1) such filing is pursuant to Section 2(b) hereof, or (2) a Prospectus contained in the Exchange Offer Registration Statement filed pursuant to Section 2(a) hereof is required to be delivered under the Securities Act by any Participating Broker-Dealer who seeks to sell Exchange Notes, before filing any Registration Statement or Prospectus or any amendments or supplements thereto, the Company shall furnish to and afford the Holders of the Registrable Notes and each such Participating Broker-Dealer, as the case may be, covered by such Registration Statement, their counsel and the managing underwriters, if any, a reasonable opportunity to review copies of all such documents (including, upon request, copies of any documents to be incorporated by reference therein and all exhibits thereto) proposed to be filed; and the Company shall not file any Registration Statement or Prospectus or any amendments or supplements thereto in respect of which the Holders must be afforded an opportunity to review prior to the filing of such document if the Majority Holders of the Registrable Notes, depending solely upon which Holders must be afforded the opportunity of such review, or such Participating Broker-Dealer, as the case may be, their counsel or the managing underwriters, if any, shall reasonably object in a timely manner;

(b) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the Effectiveness Period or the Applicable Period, as the case may be, and cause each Prospectus to be supplemented, if so determined by the Company or requested by the SEC, by any required prospectus supplement and as so supplemented to be filed pursuant to Rule 424 (or any similar provision then in force) under the Securities Act, and comply with the provisions of the Securities Act, the Exchange Act and the rules and regulations promulgated thereunder applicable to it with respect to the disposition of all Notes covered by each Registration Statement during the Effectiveness Period or the Applicable Period, as the case may be, in accordance with the intended method or methods of distribution by the selling Holders thereof described in this Agreement (including sales by any Participating Broker-Dealer);

(c) in the case of the Exchange Offer Registration Statement, if in the reasonable opinion of counsel to the Company there is a question as to whether the Exchange Offer is permitted by applicable law, seek a no-action letter or other favorable decision from the SEC allowing the Company to consummate an Exchange Offer for such Notes. The Company hereby agrees to pursue the issuance of such a decision to the SEC staff level but shall not be

required to take commercially unreasonable action to effect a change of SEC policy. The Company hereby agrees, however, to (i) participate in telephonic conferences with the SEC, (ii) deliver to the SEC staff an analysis prepared by counsel to the Company setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted and (iii) diligently pursue a resolution (which need not be favorable) by the SEC staff of such submission;

(d) in the case of the Exchange Offer Registration Statement, prior to the effectiveness of such statement, provide a supplemental letter to the SEC (i) stating that the Company is registering the Exchange Offer in reliance on the position of the SEC enunciated in Exxon Capital Holdings Corporation (available May 13, 1988), Morgan Stanley and Co., Inc. (available June 5, 1991), Brown & Wood LLP (available February 7, 1997) and, if applicable, any no-action letter obtained pursuant to Section 3(c) hereof and (ii) including a representation that the Company has not entered into any arrangement or understanding with any Person to distribute the Exchange Notes to be received in the Exchange Offer and that, to the best of the Company's information and belief, each Holder participating in the Exchange Offer is acquiring the Exchange Notes in its ordinary course of business and has no arrangement or understanding with any Person to participate in the distribution of the Exchange Notes received in the Exchange Offer;

(e) in the case of a Shelf Registration, (i) notify each Holder of Registrable Notes included in such Shelf Registration Statement, at least five Business Days prior to the filing thereof with the SEC, that such Shelf Registration Statement with respect to the Registrable Notes is being filed and advising such Holder that the distribution of Registrable Notes will be made in accordance with the method selected by the Majority Holders of the Registrable Notes, (ii) furnish to each Holder of Registrable Notes included in such Shelf Registration Statement and to each underwriter of an underwritten offering of Registrable Notes, if any, without charge, as many copies of each Prospectus, including each preliminary prospectus, and any amendment or supplement thereto, and such other documents as such Holder or underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Notes and (iii) consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Registrable Notes included in such Shelf Registration Statement in connection with the offering and sale of the Registrable Notes covered by the Prospectus or any amendment or supplement thereto;

(f) in the case of a Shelf Registration, register or qualify the Registrable Notes under all applicable state securities or "blue sky" laws of such jurisdictions by the applicable Shelf Registration Statement is declared effective by the SEC as any Holder of Registrable Notes covered by such Registration Statement and each underwriter of an underwritten offering of Registrable Notes shall reasonably request in writing in advance of such date of effectiveness, and do any and all other acts and things that may be reasonably necessary or advisable to enable such Holder and underwriter to consummate the disposition in each such jurisdiction of such Registrable Notes owned by such Holder; *provided, however*, that the Company shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(f), (ii) file any general consent to service of process in any jurisdiction where it would not otherwise

be subject to such service of process or (iii) subject itself to taxation in any such jurisdiction if it is not then so subject;

(g) (1) in the case of a Shelf Registration or (2) if Participating Broker-Dealers from whom the Company has received prior written notice that they will be using the Prospectus contained in the Exchange Offer Registration Statement as provided in Section 3(u) hereof, are seeking to sell Exchange Notes and are required to deliver Prospectuses, promptly notify each Holder of Registrable Notes, or such Participating Broker-Dealers, as the case may be, their counsel and the managing underwriters, if any, and promptly confirm such notice in writing (i) when a Registration Statement has become effective and when any post-effective amendments thereto become effective, (ii) of any request by the SEC or any state securities authority for amendments and supplements to a Registration Statement or Prospectus or for additional information after such Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the qualification of the Registrable Notes or the Exchange Notes to be offered or sold by any Participating Broker-Dealer in any jurisdiction described in Section 3(f) hereof or the initiation of any proceedings for that purpose, (iv) in the case of a Shelf Registration, if, between the effective date of the applicable Shelf Registration Statement and the closing of any sale of Registrable Notes covered thereby, the representations and warranties of the Company contained in any purchase agreement, securities sales agreement or other similar agreement cease to be true, correct and complete in all material respects, (v) of the happening of any event or the failure of any event to occur or the discovery of any facts, during the Effectiveness Period, that makes any statement made in such Registration Statement or the related Prospectus untrue in any material respect or that causes such Registration Statement or Prospectus to omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, as well as any other corporate developments, public filings with the SEC or similar events causing such Registration Statement not to be effective or the Prospectus not to be useable for resales and (vi) of the reasonable determination of the Company that a post-effective amendment to such Registration Statement would be appropriate;

(h) obtain the withdrawal of any order suspending the effectiveness of a Registration Statement as soon as practicable;

(i) in the case of a Shelf Registration, furnish to each Holder of Registrable Notes included within the coverage of the applicable Shelf Registration Statement, without charge, at least one conformed copy of such Shelf Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(j) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Notes to facilitate the timely preparation and delivery of certificates representing Registrable Notes to be sold and not bearing any restrictive legends (except any customary legend borne by securities held through The Depository Trust Company or any similar depository) and in such denominations (consistent with the provisions of the Indenture and the officer's certificate establishing the forms and the terms of the Notes pursuant to the Indenture) and registered in such names as the selling Holders or the underwriters may reasonably request

(provided such names are consistent with the names of the selling security holders set forth in the Shelf Registration Statement) at least two Business Days prior to the closing of any sale of Registrable Notes pursuant to such Shelf Registration Statement;

(k) in the case of a Shelf Registration or an Exchange Offer Registration, promptly after the occurrence of any event specified in clause (ii), (iii) or (v) of Section 3(g) hereof (subject in each case to the 45-day cumulative grace period within any 12-month period provided for in clauses (v)(B) and (vi)(B) of Section 2(e) hereof) or clause (vi) of Section 3(g) hereof, prepare a supplement or post-effective amendment to such Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Notes, such Prospectus will not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the Company shall notify each Holder to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and each Holder hereby agrees to suspend use of the Prospectus until the Company has amended or supplemented the Prospectus to correct such misstatement or omission;

(l) obtain a CUSIP number, and any other appropriate security identification number, for the Exchange Notes or the Registrable Notes, as the case may be, not later than the effective date of a Registration Statement, and provide the Trustee with certificates for the Exchange Notes or the Registrable Notes, as the case may be, in a form eligible for deposit with the Depositary;

(m) cause the Indenture to be qualified under the Trust Indenture Act, in connection with the registration of the Exchange Notes or Registrable Notes, as the case may be, and cooperate with the Trustee and the Holders to effect such changes to such documents as may be required for them to be so qualified in accordance with the terms of the Trust Indenture Act and execute, and use its reasonable best efforts to cause the Trustee to execute, all documents as may be required to effect such changes, and all other forms and documents required to be filed with the SEC to enable such documents to be so qualified in a timely manner;

(n) in the case of a Shelf Registration, enter into such agreements (including underwriting agreements) as are customary in underwritten offerings and take all such other appropriate actions in connection therewith as are reasonably requested by the Holders of at least 25% in aggregate principal amount of the Registrable Notes covered thereby in order to expedite or facilitate the registration or the disposition of the Registrable Notes;

(o) in the case of a Shelf Registration, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, if requested by (i) an Initial Purchaser, in the case where such Initial Purchaser holds Notes acquired by it as part of its initial placement, or (ii) Holders of at least 25% in aggregate principal amount of the Registrable Notes covered thereby: (A) make such representations and warranties to Holders of such Registrable Notes and the underwriters (if any), with respect to the business of the Company as then conducted and the applicable Shelf Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, as are customarily made by issuers to underwriters in underwritten

offerings, and confirm the same if and when requested; (B) obtain opinions of counsel to the Company and updates thereof (which may be in the form of a reliance letter) in form and substance reasonably satisfactory to the managing underwriters (if any) and the Holders of a majority in amount of the Registrable Notes being sold, addressed to each selling Holder and the underwriters (if any) covering the matters customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such underwriters (it being agreed that the matters to be covered by such opinion may be subject to customary qualifications and exceptions); (C) obtain “cold comfort” letters and updates thereof in form and substance reasonably satisfactory to the managing underwriters from the independent registered public accountants of the Company, addressed to each of the underwriters, such letters to be in customary form and covering matters of the type customarily covered in “cold comfort” letters in connection with underwritten offerings and such other matters as reasonably requested by such underwriters in accordance with Auditing Standards and other applicable letters from “experts” (within the meaning of the Securities Act), as applicable; and (D) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures no less favorable than those set forth in Section 4 hereof (or such other provisions and procedures acceptable to Holders of a majority in aggregate principal amount of Registrable Notes covered by such Shelf Registration Statement and the managing underwriters) customary for such agreements with respect to all parties to be indemnified pursuant to Section 4 hereof (including, without limitation, such underwriters and selling Holders); and in the case of an underwritten registration, the above requirements shall be satisfied at each closing under the related underwriting agreement or as and to the extent required thereunder;

(p) if (i) a Shelf Registration is filed pursuant to Section 2(b) hereof or (ii) a Prospectus contained in the Exchange Offer Registration Statement filed pursuant to Section 2(a) hereof is required to be delivered under the Securities Act by any Participating Broker-Dealer who seeks to sell Exchange Notes during the Applicable Period, make reasonably available for inspection by any selling Holder of Registrable Notes or Participating Broker-Dealer, as applicable, who certifies to the Company that it has a current intention to sell Registrable Notes pursuant to the Shelf Registration, any underwriter participating in any such disposition of Registrable Notes, if any, and any attorney, accountant or other agent retained by any such selling Holder, Participating Broker-Dealer, as the case may be, or underwriter (collectively, the “Inspectors”), at the offices where normally kept, during the Company’s normal business hours, all financial and other records, pertinent organizational and operational documents and properties of the Company (collectively, the “Records”) as shall be reasonably necessary to enable them to conduct due diligence activities, and cause the officers, trustees and employees of the Company to supply all relevant information in each case reasonably requested by any such Inspector in connection with such Registration Statement; Records and information that the Company determines, in good faith, to be confidential and any Records and information that it notifies the Inspectors are confidential shall not be disclosed to any Inspector except where (i) the disclosure of such Records or information is necessary to avoid or correct a material misstatement or omission in such Registration Statement, (ii) the release of such Records or information is ordered pursuant to a subpoena or other order from a court of competent jurisdiction or is necessary in connection with any action, suit or proceeding or (iii) such Records or information previously has been made generally available to the public; each selling Holder of such Registrable Notes and each such Participating Broker-Dealer will be required to agree in writing

that Records and information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of the Company unless and until such is made generally available to the public through no fault of an Inspector or a selling Holder; and each selling Holder of such Registrable Notes and each such Participating Broker-Dealer will be required to further agree in writing that it will, upon learning that disclosure of such Records or information is sought in a court of competent jurisdiction, or in connection with any action, suit or proceeding, give notice to the Company and allow the Company at its expense to undertake appropriate action to prevent disclosure of the Records and information deemed confidential;

(q) comply with all applicable rules and regulations of the SEC so long as any provision of this Agreement shall be applicable and make generally available to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than 45 days after the end of any 12-month period (or 90 days after the end of any 12-month period if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Notes are sold to underwriters in a firm commitment or best efforts underwritten offering and (ii) if not sold to underwriters in such an offering, commencing on the first day of the first fiscal quarter of the Company after the effective date of a Registration Statement, which statements shall cover said 12-month periods, *provided* that the obligations under this paragraph (q) shall be satisfied by the timely filing of periodic reports under the Exchange Act;

(r) if an Exchange Offer is to be consummated, upon delivery of the Registrable Notes by Holders to the Company (or to such other Person as directed by the Company), in exchange for the Exchange Notes, the Company shall mark, or cause to be marked, on such Notes delivered by such Holders that such Notes are being cancelled in exchange for the Exchange Notes; it being understood that in no event shall such Notes be marked as paid or otherwise satisfied;

(s) cooperate with each seller of Registrable Notes covered by any Registration Statement and each underwriter, if any, participating in the disposition of such Registrable Notes and their respective counsel in connection with any filings required to be made with the FINRA;

(t) take all other steps reasonably necessary to effect the registration of the Registrable Notes covered by a Registration Statement contemplated hereby;

(u) in the case of (A) the Exchange Offer Registration Statement (i) include in the Exchange Offer Registration Statement a section entitled "Plan of Distribution," which section shall be reasonably acceptable to the Initial Purchasers or another representative of the Participating Broker-Dealers and shall contain a summary statement of the positions taken or policies made by the staff of the SEC with respect to the potential "underwriter" status of any broker-dealer that holds Registrable Notes acquired for its own account as a result of market-making activities or other trading activities (a "Participating Broker-Dealer") and that will be the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) of Exchange Notes to be received by such broker-dealer in the Exchange Offer, whether such positions or policies have been publicly disseminated by the staff of the SEC or such positions or policies, in the

reasonable judgment of the Initial Purchasers or such other representative, represent the prevailing views of the staff of the SEC, including a statement that any such broker-dealer who receives Exchange Notes for Registrable Notes pursuant to the Exchange Offer may be deemed a statutory underwriter and must deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes, (ii) furnish to each Participating Broker-Dealer who has delivered to the Company the notice referred to in Section 3(g) hereof, without charge, as many copies of each Prospectus included in the Exchange Offer Registration Statement, including any preliminary Prospectus, and any amendment or supplement thereto, as such Participating Broker-Dealer may reasonably request (the Company hereby consents to the use of the Prospectus forming part of the Exchange Offer Registration Statement or any amendment or supplement thereto by any Person subject to the prospectus delivery requirements of the Securities Act, including all Participating Broker-Dealers, in connection with the sale or transfer of the Exchange Notes covered by the Prospectus or any amendment or supplement thereto), (iii) use its reasonable best efforts to keep the Exchange Offer Registration Statement effective and to amend and supplement the Prospectus contained therein in order to permit such Prospectus to be lawfully delivered by all Persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such Persons must comply with such requirements under the Securities Act and applicable rules and regulations in order to resell the Exchange Notes; *provided, however*, that such period shall not be required to exceed one year following the completion of the Exchange Offer (or such longer period if extended pursuant to the last sentence of Section 3 hereof) (the “Applicable Period”), and (iv) include in the transmittal letter or similar documentation to be executed by an exchange offeree in order to participate in the Exchange Offer: (1) the following provision:

“If the exchange offeree is a broker-dealer holding Registrable Notes acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes received in respect of such Registrable Notes pursuant to the Exchange Offer”;

and (2) a statement to the effect that by a Participating Broker-Dealer making the acknowledgment described in clause (1) above and by delivering a Prospectus in connection with the exchange of Registrable Notes, the Participating Broker-Dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act; and (B) the Exchange Offer Registration Statement, the Company agrees to deliver to the Initial Purchasers or to another representative of the Participating Broker-Dealers, if reasonably requested by an Initial Purchaser or such other representative of Participating Broker-Dealers, on behalf of the Participating Broker-Dealers upon consummation of the Exchange Offer (i) an opinion of counsel in form and substance reasonably satisfactory to such Initial Purchaser or such other representative of the Participating Broker-Dealers, covering the matters customarily covered in opinions requested in connection with transactions similar to the Exchange Offer and such other matters as may be reasonably requested (it being agreed that the matters to be covered by such opinion may be subject to customary qualifications and exceptions), (ii) an officer’s certificate substantially similar to that specified in Section 5(f) of the Purchase Agreement and such additional certifications as are customarily delivered in a public offering of debt and (iii) upon the effectiveness of the Exchange Offer Registration Statement, “cold comfort” letters, in each case,

in customary form if permitted by Auditing Standards, and other applicable letters from “experts” (within the meaning of the Securities Act), as applicable.

The Company may require each seller of Registrable Notes as to which any registration is being effected to furnish to the Company such information regarding such seller and the proposed disposition by said seller as may be required by the staff of the SEC to be included in a Registration Statement. The Company may exclude from such registration the Registrable Notes of any seller who fails to furnish such information within a reasonable time after receiving such request. The Company shall have no obligation to register under the Securities Act the Registrable Notes of a seller who so fails to furnish such information.

In the case of a Shelf Registration Statement, or if Participating Broker-Dealers who have notified the Company that they will be using the Prospectus contained in the Exchange Offer Registration Statement as provided in this Section 3(u) are seeking to sell Exchange Notes and are required to deliver Prospectuses, each Holder agrees that, upon receipt of any notice from the Company of the occurrence of any event specified in clause (ii), (iii), (v) or (vi) of Section 3(g) hereof, such Holder will forthwith discontinue disposition of Registrable Notes pursuant to a Registration Statement until such Holder’s receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(k) hereof or until it is advised in writing (the “Advice”) by the Company that the use of the applicable Prospectus may be resumed, and, if so directed by the Company, such Holder will deliver to the Company (at the Company’s expense) all copies in such Holder’s possession, other than permanent file copies then in such Holder’s possession, of the Prospectus covering such Registrable Notes or Exchange Notes, as the case may be, current at the time of receipt of such notice. If the Company shall give any such notice to suspend the disposition of Registrable Notes or Exchangeable Notes, as the case may be, pursuant to a Registration Statement, the Company shall use its reasonable best efforts to file and have declared effective (if an amendment), as soon as practicable after the resolution of the related matters, an amendment or supplement to such Registration Statement and shall extend the period during which such Registration Statement is required to be maintained effective and the Prospectus usable for resales pursuant to this Agreement by the number of days in the period from and including the date of the giving of such notice to and including the date when the Company shall have made available to the Holders (x) copies of the supplemented or amended Prospectus necessary to resume such dispositions or (y) the Advice.

#### Section 4. Indemnification and Contribution.

(a) In connection with a Shelf Registration Statement or in connection with any delivery of a Prospectus contained in the Exchange Offer Registration Statement by any Participating Broker-Dealer or Initial Purchaser, as applicable, who seeks to sell Exchange Notes, the Company shall indemnify, defend and hold harmless each Holder of Registrable Notes included within any such Shelf Registration Statement and each Participating Broker-Dealer or Initial Purchaser selling Exchange Notes, underwriters, their officers and employees, and each Person, if any, who controls any such Person within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages or liabilities, joint or several, to which that Holder, Participating Broker-Dealer, Initial Purchaser, underwriter, officer, employee or controlling person may become subject, under the Securities Act or any other statute or common law and shall reimburse each Holder, Participating

Broker-Dealer, Initial Purchaser, underwriter, officer, employee or controlling person for any legal or other expenses (including to the extent hereinafter provided, reasonable counsel fees) incurred by that Holder, Participating Broker-Dealer, Initial Purchaser, underwriter, officer, employee or controlling person in connection with investigating any such losses, claims, damages, liabilities or in connection with defending any action, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of, or are based upon, (A) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) or Prospectus (or any amendment or supplement thereto), covering Registrable Notes or Exchange Notes, as applicable, or (B) the omission or alleged omission to state in any Registration Statement (or any amendment thereto) or Prospectus (or any amendment or supplement thereto) any material fact required to be stated therein or necessary to make the statements therein not misleading; *provided, however*, that this indemnity does not apply to any loss, claim, damage, liability, expense or action arising out of an untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished in writing to the Company by the Initial Purchasers or any Holder, underwriter or Participating Broker-Dealer for use in a Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(b) Each of the Initial Purchasers and each Holder, underwriter or Participating Broker-Dealer agrees, severally and not jointly, to indemnify and hold harmless the Company, its officers and employees, and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, to which the Company, its officers, employees or controlling persons may become subject, under the Securities Act or any other statute or common law, and shall reimburse the Company and any such officer, employee or controlling person for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages, liabilities or in connection with defending any action insofar as such losses, claims, damages, liabilities, expenses or actions arise out of, or are based upon, (A) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) or Prospectus (or any amendment or supplement thereto), covering Registrable Notes or Exchange Notes, as applicable, or (B) the omission or alleged omission to state in any Registration Statement (or any amendment thereto) or Prospectus (or any amendment or supplement thereto) any material fact required to be stated therein or necessary to make the statements therein not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information concerning such Initial Purchaser, Holder, underwriter or Participating Broker-Dealer specifically for inclusion therein; *provided, however*, that in the case of a Shelf Registration Statement, no such Holder shall be liable for any claims hereunder in excess of the amount of net proceeds received by such Holder from the sale of Registrable Notes pursuant to such Shelf Registration Statement.

(c) In case any action shall be brought against any party in respect of which indemnity may be sought pursuant to Section 4 (a) or (b) hereof, such party (hereinafter called the indemnified party) shall promptly notify the party or parties against whom indemnity shall be sought hereunder (hereinafter called the indemnifying party) in writing, and the indemnifying party shall have the right to participate at its own expense in the defense or, if it so elects, to

assume (in conjunction with any other indemnifying party) the defense thereof, including the employment of counsel reasonably satisfactory to the indemnified party and the payment of all fees and expenses. If the indemnifying party shall elect not to assume the defense of any such action, the indemnifying party shall reimburse the indemnified party for the reasonable fees and expenses of any counsel retained by such indemnified party. Such indemnified party shall have the right to employ separate counsel in any such action in which the defense has been assumed by the indemnifying party and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the employment of counsel has been specifically authorized by the indemnifying party or (ii) the named parties to any such action (including any impleaded parties) include each of such indemnified party and the indemnifying party and such indemnified party shall have been advised by such counsel that a conflict of interest between the indemnifying party and such indemnified party may arise and for this reason it is not desirable for the same counsel to represent both the indemnifying party and the indemnified party (it being understood, however, that the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for such indemnified party (plus any local counsel retained by such indemnified party in its reasonable judgment)). The indemnified party shall be reimbursed for all such fees and expenses as they are incurred. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if any such action is settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action, suit or proceeding in respect of which any indemnified party is or could have been a party and indemnity has or could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such action, suit or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for under this Section 4 is for any reason held to be unavailable to an indemnified party in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party shall contribute to the aggregate amount paid or payable by such indemnified party, as incurred, as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect (i) the relative benefits received by the Company from the initial offering and sale of the Notes, on the one hand, and by a Holder from receiving Registrable Notes or Exchange Notes registered under the Securities Act, on the other, (ii) the relative fault of the Company on the one hand and such Holder on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities and (iii) any other relevant equitable considerations. The relative fault of the Company on the one hand and the Holders on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by any of the Holders and such parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 4 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable to an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 4, an indemnifying party that is a Holder of Registrable Notes or Exchange Notes shall not be required to contribute any amount in excess of the amount by which the total price at which the Registrable Notes or the Exchange Notes sold by such indemnifying party to any purchaser exceeds the amount of any damages that such indemnifying party has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. The Holders' obligations in this Section 4 to contribute shall be several in proportion to the principal amount of Registrable Notes and Exchange Notes registered for them and not joint. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 4, each Affiliate of a Holder, and each director, officer and employee and Person, if any, who controls a Holder or such Affiliate within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as such Holder and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company .

Section 5. Participation in an Underwritten Registration . No Holder may participate in an underwritten registration hereunder unless such Holder (a) agrees to sell such Holder's Registrable Notes on the basis provided in the underwriting arrangement approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all reasonable questionnaires, powers of attorney, indemnities, underwriting agreements, lock-up letters and other documents reasonably required under the terms of such underwriting arrangements.

Section 6. Selection of Underwriters . The Holders of Registrable Notes covered by a Shelf Registration Statement who desire to do so may sell the Notes covered by such Shelf Registration Statement in an underwritten offering, subject to the provisions of Section 3(n) hereof. In any such underwritten offering, the underwriter or underwriters and manager or managers that will administer the offering will be selected by the Holders of a majority in aggregate principal amount of the Registrable Notes included in such offering; *provided, however* , that such underwriters and managers must be reasonably satisfactory to the Company.

Section 7. Miscellaneous .

(a) *Rule 144 and Rule 144A* . For so long as the Company is subject to the reporting requirements of Section 13 or 15 of the Exchange Act and any Registrable Notes remain outstanding, the Company will file the reports required to be filed by it under the Securities Act and Section 13(a) or 15(d) of the Exchange Act and the rules and regulations adopted by the SEC thereunder; *provided, however* , that if the Company ceases to be so required

to file such reports, it will, upon the request of any Holder of Registrable Notes, (a) make publicly available such information as is necessary to permit sales of its securities pursuant to Rule 144 under the Securities Act, (b) deliver such information to a prospective purchaser as is necessary to permit sales of its securities pursuant to Rule 144A under the Securities Act and (c) take such further action that is reasonable in the circumstances, in each case, to the extent required from time to time to enable such Holder to sell its Registrable Notes without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such rule may be amended from time to time, (ii) Rule 144A under the Securities Act, as such rule may be amended from time to time, or (iii) any similar rules or regulations hereafter adopted by the SEC. Upon the request of any Holder of Registrable Notes, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

(b) *No Inconsistent Agreements.* The Company has not entered into, nor will the Company on or after the date of this Agreement enter into, any agreement that is inconsistent with the rights granted to the Holders of Registrable Notes in this Agreement or otherwise conflicts with the provisions hereof without the written consent of Holders of a majority in aggregate principal amount of the outstanding Registrable Notes. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's other issued and outstanding securities under any such agreements.

(c) *Amendments and Waivers.* The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company has obtained the written consent of Holders of a majority in aggregate principal amount of the outstanding Registrable Notes affected by such amendment, modification, supplement, waiver or departure; *provided* that no amendment, modification or supplement or waiver or consent to the departure with respect to the provisions of Section 4 hereof shall be effective as against any Holder of Registrable Notes unless consented to in writing by such Holder of Registrable Notes. Notwithstanding the foregoing sentence, (i) this Agreement may be amended, without the consent of any Holder of Registrable Notes, by written agreement signed by the Company and the Initial Purchasers, to cure any ambiguity, correct or supplement any provision of this Agreement that may be inconsistent with any other provision of this Agreement or to make any other provisions with respect to matters or questions arising under this Agreement that shall not be inconsistent with other provisions of this Agreement, (ii) this Agreement may be amended, modified or supplemented, and waivers and consents to departures from the provisions hereof may be given, by written agreement signed by the Company and the Initial Purchasers to the extent that any such amendment, modification, supplement, waiver or consent is, in their reasonable judgment, necessary or appropriate to comply with applicable law and regulation (including any interpretation of the staff of the SEC) or any change therein and (iii) to the extent any provision of this Agreement relates to an Initial Purchaser, such provision may be amended, modified or supplemented, and waivers or consents to departures from such provisions may be given, by written agreement signed by such Initial Purchaser and the Company.

(d) *Business Days.* Notwithstanding any other provision of this Agreement to the contrary, if the date by which a Registration Statement is required to be filed with or declared

effective by the SEC or the Exchange Offer is required to be consummated pursuant to this Agreement falls on a day that is not a Business Day, then such date shall be extended to the next succeeding Business Day and no Additional Interest shall accrue on the Registrable Notes during such extension.

(e) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 7(e), which address, with respect to the Initial Purchasers, initially is:

Banc of America Securities LLC  
40 West 57<sup>th</sup> Street  
NY1-040-27-03  
New York, NY 10019  
Facsimile: 646-313-4823  
Attention: High Grade Transaction Management/Legal

and

BNY Capital Markets, Inc.  
One Wall Street  
New York, NY 10286  
Facsimile: 212-635-8525  
Attention: Debt Capital Markets

and

J.P. Morgan Securities Inc.  
270 Park Avenue  
New York, NY 10017  
Facsimile: 212-834-6081  
Attention: Investment Grade Syndicate Desk

with a copy to:

Pillsbury Winthrop Shaw Pittman LLP  
1540 Broadway  
New York, NY 10036  
Facsimile: 212-858-1500  
Attention: Todd W. Eckland

and (ii) if to the Company, to:

National Fuel Gas Company  
6363 Main Street  
Williamsville, NY 14221

Facsimile: 716-857-7856  
Attention: Ronald J. Tanski, Treasurer

with a copy to:

Dewey & LeBoeuf LLP  
1301 Avenue of Americas  
New York, NY 10019  
Facsimile: 212-259-6333  
Attention: Michael F. Fitzpatrick, Jr.

and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 7(e).

All such notices and communications shall be deemed to have been duly given at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(f) *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of the Initial Purchasers, including, without limitation and without the need for an express assignment, subsequent Holders; *provided, however*, that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Notes in violation of the terms of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Registrable Notes in any manner, whether by operation of law or otherwise, such Registrable Notes shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Notes, such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof.

(g) *Third-Party Beneficiaries.* Each Holder and any Participating Broker-Dealer shall be third party beneficiaries of the agreements made hereunder among the Initial Purchasers and the Company, and the Initial Purchasers shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(h) *Counterparts.* This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(i) *Headings.* The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(j) *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN THAT STATE.

(k) *Severability.* In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(l) *Notes Held by the Company or its Affiliates.* Whenever the consent or approval of Holders of a specified percentage of Registrable Notes is required hereunder, Registrable Notes held by the Company or its Affiliates shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(m) *Entire Agreement.* This Agreement embodies the entire agreement and understanding between the Company and each of the Initial Purchaser relating to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, among the parties hereto with respect to this subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

NATIONAL FUEL GAS COMPANY

By: /s/ R. J. Tanski  
Name: R. J. Tanski  
Title: Treasurer

Confirmed and accepted as of  
the date first above written:

BANC OF AMERICA SECURITIES LLC  
BNY CAPITAL MARKETS, INC.  
J.P. MORGAN SECURITIES INC.  
HSBC SECURITIES (USA) INC.  
MITSUBISHI UFJ SECURITIES INTERNATIONAL PLC  
NATCITY INVESTMENTS, INC.  
PNC CAPITAL MARKETS LLC

By: BANC OF AMERICA SECURITIES LLC  
For itself and as representative of the  
several Initial Purchasers

By: /s/ Peter J. Carbone  
Name: Peter J. Carbone  
Title: Vice President

By: BNY CAPITAL MARKETS, INC.  
For itself and as representative of the  
several Initial Purchasers

By: /s/ Dan Klinger  
Name: Dan Klinger  
Title: Managing Director

By: J.P. MORGAN SECURITIES INC.  
For itself and as representative of the  
several Initial Purchasers

By: /s/ Stephen L. Sheiner  
Name: Stephen L. Sheiner  
Title: Vice President

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November 7, 2008

National Fuel Gas Company  
6363 Main Street  
Williamsville, New York 14221

Ladies and Gentlemen:

We have acted as counsel to National Fuel Gas Company, a New Jersey corporation (the “**Company**”) in connection with the Registration Statement on Form S-4 (the “**Registration Statement**”) filed by the Company with the Securities and Exchange Commission (the “**Commission**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), relating to the issuance by the Company of \$300,000,000 aggregate principal amount of 6.50% Notes due 2018 (the “**Exchange Notes**”). The Exchange Notes will be issued under an indenture dated as of October 1, 1999 (the “**Indenture**”) between the Company and The Bank of New York Mellon, as trustee (the “**Trustee**”). The Exchange Notes will be offered by the Company in exchange for \$300,000,000 aggregate principal amount of its outstanding 6.50% Notes due 2018 (the “**Old Notes**”).

We have examined the Registration Statement and the Indenture, which has been filed with the Commission as an exhibit to the Registration Statement. We also have examined the originals, or duplicates or certified or conformed copies, of such corporate records, agreements, documents and other instruments and have made such other investigations as we have deemed relevant and necessary in connection with the opinions hereinafter set forth. As to questions of fact material to this opinion, we have relied upon certificates or comparable documents of public officials and of officers and representatives of the Company.

In rendering the opinions set forth below, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. We also have assumed that the Indenture is the valid and legally binding obligation of the Trustee.

NEW YORK | LONDON MULTINATIONAL PARTNERSHIP | WASHINGTON, DC  
ALBANY | ALMATY | AUSTIN | BEIJING | BOSTON | BRUSSELS | CHARLOTTE | CHICAGO | DUBAI  
FRANKFURT | HARTFORD | HONG KONG | HOUSTON | JACKSONVILLE | JOHANNESBURG (PTY) LTD. |  
LOS ANGELES MILAN | MOSCOW | PARIS MULTINATIONAL PARTNERSHIP | RIYADH AFFILIATED OFFICE | ROME | SAN FRANCISCO | SILICON  
VALLEY | WARSAW

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Based upon the foregoing, and subject to the assumptions, exceptions, qualifications and limitations set forth herein, we are of the opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of New Jersey.
2. When the following steps shall have been taken, the Exchange Notes will be valid, legal and binding obligations of the Company:
  - (a) Compliance with the Securities Act and the Trust Indenture Act of 1939, as amended, and action of the Commission permitting the Registration Statement to become effective;
  - (b) Execution and filing with the Trustee of the proper papers with respect to the Exchange Notes; and
  - (c) Issuance and delivery of the Exchange Notes in exchange for the Old Notes in accordance with the corporate authorizations and in accordance with the terms and provisions of the Indenture.
3. The statements contained in the Registration Statement under the caption "U.S. Federal Income Tax Consequences," insofar as such statements purport to constitute summaries of matters of U.S. federal income tax law or legal conclusions with respect thereto, and subject to the qualifications set forth therein, are correct in all material respects.

Our opinion in paragraph 3, above, is based upon U.S. federal income tax law as of the date hereof, and no assurance can be given that changes in the law or the administrative or judicial interpretation thereof will not occur so as to change the treatment of the issuance of Exchange Notes for U.S. federal income tax purposes. We have assumed no obligation, and do not undertake, to update, revise or supplement any statement herein for any reason whatsoever or to advise you of any matters which may subsequently come to our attention.

Our opinions set forth above are subject to (i) the effects of bankruptcy, insolvency, reorganization, receivership, fraudulent conveyance, fraudulent transfer, moratorium and other laws affecting the rights and remedies of creditors generally and (ii) general principles of equity (whether considered in a proceeding in equity or at law).

Insofar as the opinions expressed herein relate to or are dependent upon matters governed by the law of the State of New Jersey, we have relied upon the opinion letter of Lowenstein Sandler PC, New Jersey counsel to the Company, dated the date hereof. Our opinion as to such matters are based on the assumptions and subject to the qualifications and limitations set forth in such opinion letter.

We do not express any opinion herein concerning any law other than the law of the State of New York, the federal law of the United States and, to the extent set forth herein, the law of the State of New Jersey.

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We hereby consent:

1. To being named in the Registration Statement and in any amendments thereto as counsel for the Company;
2. To the statements with reference to our firm made in the Registration Statement; and
3. To the filing of this opinion as an exhibit to the Registration Statement.

In giving the foregoing consent, we do not thereby admit that we belong to the category of persons whose consent is required under Section 7 of the Securities Act, or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ Dewey & LeBoeuf LLP

DEWEY & LEBOEUF LLP

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## [LETTERHEAD OF LOWENSTEIN]

November 7, 2008

National Fuel Gas Company  
6363 Main Street  
Williamsville, New York 14221

Ladies and Gentlemen:

We have acted as special New Jersey counsel to National Fuel Gas Company, a New Jersey corporation (the “Company”), in connection with the filing of a registration statement on Form S-4 (the “Registration Statement”) under the Securities Act of 1933, as amended (the “Securities Act”), relating to the registration of \$300,000,000 aggregate principal amount of the Company’s 6.50% Notes due 2018 (the “New Notes”), in connection with an offer by the Company to issue the New Notes in exchange for the corresponding series of its 6.50% Notes due 2018 that are currently outstanding (the “Old Notes”), as described in the Registration Statement. The New Notes are to be issued pursuant to an Indenture dated as of October 1, 1999, between the Company and The Bank of New York Mellon, as Trustee (the “Trustee”), as amended and supplemented to the date hereof (the “Indenture”).

For purposes of rendering this opinion, we have examined and, with your consent, have relied without independent investigation or verification upon the accuracy and completeness of the facts, information, covenants and representations contained in originals or copies, certified or otherwise identified to our satisfaction, of the Registration Statement and such other documents as we considered relevant to our analysis. In our examination of documents, we have assumed the authenticity of original documents, the conformity to original documents of all documents submitted to us as certified or photostatic copies, the genuineness of signatures, and the legal capacity of signatories. In rendering our opinion, we have assumed, with your consent, and our opinion is conditioned on, among other things, the initial and continuing accuracy of the facts, information, covenants and representations set forth in the documents referred to above.

Based upon the foregoing and subject to the assumptions, exceptions, qualifications and limitations set forth hereinafter, we are of the opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of New Jersey, with corporate power and authority to own its properties and conduct its business as described in the Registration Statement.
  2. The Indenture has been duly authorized, executed and delivered by the Company.
  3. The New Notes have been duly authorized by all necessary corporate action on
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the part of the Company and, when executed by the Company, properly authenticated and delivered by the Trustee pursuant to the Indenture and exchanged for Old Notes in accordance with the Indenture, the exchange offer and in compliance with the Securities Act and the Trust Indenture Act of 1939, as amended, and action of the Securities and Exchange Commission permitting the Registration Statement to become effective, the New Notes will be duly issued and will be valid and binding obligations of the Company.

Our opinions as contained herein are subject to and qualified and limited by the following: (a) We express no opinion as to (i) the effect of any bankruptcy, insolvency, fraudulent transfer and conveyance, reorganization, moratorium, preference or similar laws relating to or affecting the rights of creditors generally, (ii) rights to indemnification and contribution, (iii) the effect of general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, or (iv) the power of the courts to award damages in lieu of equitable remedies, and the possible unavailability of specific performance, injunctive relief or other equitable relief, and limitations on rights of acceleration regardless of whether considered in a proceeding in equity or at law.

None of our opinions cover or otherwise address any of the following laws, statutes or regulations or legal issues: (i) laws, statutes and regulations that prohibit or limit the validity or enforceability of obligations based on attributes of the party seeking enforcement; (ii) usury law, statutes and regulations; (iii) laws, statutes and regulations providing for the enforcement of oral waivers or modifications where a material change of position in reliance thereon has occurred or provide that a course of performance may operate as a waiver; (iv) laws, statutes and regulations limiting the availability under certain circumstances where another remedy has been elected; (v) laws, statutes and regulations limiting the enforceability of provisions releasing, exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action or inaction involves gross negligence, recklessness, willful misconduct or unlawful conduct; (vi) laws, statutes and regulations that may, where less than all of a contract may be unenforceable, limit the enforceability of the balance of the contract to circumstances in which the unenforceable portion is not an essential part of the agreed exchange; or (vii) laws, statutes and regulations may limit the enforceability of provisions providing for compounded interest, imposing increased interest rates or late payment charges upon delinquency in payment or default or providing for liquidated damages or for premiums upon acceleration.

We express no opinion as to whether, or the extent to which, the laws of any particular jurisdiction apply to the subject matter hereof, including, without limitation, the enforceability of the governing law provision contained in any of the Old Notes or the New Notes and their governing documents.

(b) To the extent that the obligations of the Company under the Indenture may be dependent upon such matters, we assume for purposes of this opinion that the Trustee under the Indenture has been duly organized, is validly existing and is in good standing under the

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laws of its jurisdiction of organization; that the Trustee is duly qualified to engage in the activities contemplated by the Indenture; that the Indenture has been duly authorized, executed and delivered by the Trustee and constitutes a legally valid, binding and enforceable obligation of the Trustee enforceable against the Trustee in accordance with its terms; that the Trustee is in compliance, generally and with respect to acting as trustee under the Indenture, with all applicable laws and regulations; and that the Trustee has the requisite organizational and legal power and authority to perform its obligations under the Indenture.

The foregoing opinions are limited to the matters expressly set forth herein and no opinion may be implied or inferred beyond the matters expressly stated. We disclaim any obligation to update this letter for events occurring after the date of this letter, or as a result of knowledge acquired by us after that date, including changes in any of the statutory or decisional law after the date of this letter. We are members of the bar of the State of New Jersey. We express no opinion as to the effect and application of any United States federal law, rule or regulation or any securities or blue sky laws of any state, including the State of New Jersey. We are not opining on, and assume no responsibility as to, the applicability to or the effect on any of the matters covered herein of the laws of any other jurisdiction, other than the laws of New Jersey as presently in effect. Dewey & LeBoeuf LLP may rely on our opinions set forth above in connection with the opinion to be delivered by them in connection with the Registration Statement.

We hereby consent:

1. To being named in the Registration Statement and in any amendments thereto as New Jersey counsel for the Company;
2. To the statements with reference to our firm made in the Registration Statement; and
3. To the filing of this opinion as an exhibit to the Registration Statement.

In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ LOWENSTEIN SANDLER PC

LOWENSTEIN SANDLER PC

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**NATIONAL FUEL GAS COMPANY  
COMPUTATION OF RATIO OF  
EARNINGS TO FIXED CHARGES  
UNAUDITED**

	For the Nine	Fiscal Year Ended September 30,				
	Months Ended					
	June 30, 2008	2007	2006	2005	2004	2003
<b>EARNINGS:</b>						
Income from Continuing Operations	\$ 225,463	\$ 201,675	\$ 184,614	\$ 138,437	\$ 141,920	\$ 256,076
Plus Income Tax Expense	143,465	131,813	108,245	85,621	89,820	116,795
Less Investment Tax Credit (1)	(523)	(697)	(697)	(697)	(697)	(693)
(Less Income) Plus Loss from Unconsolidated Subsidiaries (3)	(4,866)	(4,979)	(3,583)	796	(805)	(535)
Plus Distributions from Unconsolidated Subsidiaries	6,206	1,613	4,651	1,990	785	1,238
Plus Interest Expense on Long-Term Debt	52,045	68,446	72,629	73,244	82,989	91,381
Plus Other Interest Expense	4,209	6,029	5,952	9,069	6,354	11,010
Less Amortization of Loss on Reacquired Debt	(836)	(1,119)	(1,118)	(1,066)	(1,350)	(2,078)
Plus (Less) Allowance for Borrowed Funds Used in Construction	1,127	374	296	201	298	(102)
Plus Rentals (2)	1,727	2,685	2,810	3,554	4,286	4,573
	<u>\$ 428,017</u>	<u>\$ 405,840</u>	<u>\$ 373,799</u>	<u>\$ 311,149</u>	<u>\$ 323,600</u>	<u>\$ 477,665</u>
<b>FIXED CHARGES:</b>						
Interest & Amortization of Premium and Discount of Funded Debt	\$ 52,045	\$ 68,446	\$ 72,629	\$ 73,244	\$ 82,989	\$ 91,381
Plus Other Interest Expense	4,209	6,029	5,952	9,069	6,354	11,010
Less Amortization of Loss on Reacquired Debt	(836)	(1,119)	(1,118)	(1,066)	(1,350)	(2,078)
Plus (Less) Allowance for Borrowed Funds Used in Construction	1,127	374	296	201	298	(102)
Plus Rentals (2)	1,727	2,685	2,810	3,554	4,286	4,573
	<u>\$ 58,272</u>	<u>\$ 76,415</u>	<u>\$ 80,569</u>	<u>\$ 85,002</u>	<u>\$ 92,577</u>	<u>\$ 104,784</u>
<b>RATIO OF EARNINGS TO FIXED CHARGES</b>	<b>7.35</b>	<b>5.31</b>	<b>4.64</b>	<b>3.66</b>	<b>3.50</b>	<b>4.56</b>

(1) Investment Tax Credit is included in Other Income

(2) Rentals shown above represent the portion of all rentals (other than delay rentals) deemed representative of the interest factor.

(3) Fiscal 2005 includes the Impairment of Investment in Partnership of \$4,158.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated November 29, 2007 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in National Fuel Gas Company's Annual Report on Form 10-K for the year ended September 30, 2007. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Buffalo, New York  
November 7, 2008

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**NETHERLAND, SEWELL  
& ASSOCIATES, INC.**

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

As independent oil and gas consultants, Netherland, Sewell & Associates, Inc. hereby consents to the incorporation by reference in the Registration Statement on Form S-4 of National Fuel Gas Company to be filed on or about November 7, 2008, of information from our reserve report with respect to the oil and gas reserves of Seneca Resources Corporation dated October 17, 2007. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

**NETHERLAND, SEWELL &  
ASSOCIATES, INC.**

By: /s/ Danny D. Simmons, P.E.  
Danny D. Simmons, P.E.  
President and Chief Operating Officer

Houston, Texas  
November 7, 2008

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM T-1**

**STATEMENT OF ELIGIBILITY UNDER THE TRUST  
INDENTURE ACT OF 1939 OF A CORPORATION  
DESIGNATED TO ACT AS TRUSTEE**

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A  
TRUSTEE PURSUANT TO SECTION 305(b)(2)

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**THE BANK OF NEW YORK MELLON**  
(Exact name of trustee as specified in its charter)

**New York**  
(Jurisdiction of incorporation  
if not a U.S. national bank)

**13-5160382**  
(I.R.S. Employer  
Identification No.)

**One Wall Street**  
**New York, New York**  
(Address of principal executive offices)

**10286**  
(Zip code)

**Robert Sussman**  
**Legal Department**  
**The Bank of New York Mellon**  
**One Wall Street, 29th Floor**  
**New York, NY 10286**  
**(212) 635-1889**  
(Name, address and telephone number of agent for service)

**NATIONAL FUEL GAS COMPANY**  
(Exact name of obligor as specified in its charter)

**New Jersey**  
(State or other jurisdiction  
of incorporation or organization)

**13-1086010**  
(I.R.S. Employer  
Identification No.)

**6363 Main Street**  
**Williamsville, New York**  
(Address of principal executive offices)

**14221**  
(Zip code)

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**6.50% Notes due 2018**  
(Title of the indenture securities)

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**Item 1. General Information.**

Furnish the following information as to the Trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.

Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417 and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, N.W., Washington, D.C. 20429
New York Clearing House Association	New York, N.Y. 10005

- (b) Whether it is authorized to exercise corporate trust powers.

Yes.

**Item 2. Affiliations with Obligor.**

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

**Item 16. List of Exhibits.**

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. - A copy of the Organization Certificate of The Bank of New York Mellon (formerly The Bank of New York (formerly Irving Trust Company)) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed as Exhibit 25.1 to Current Report on Form 8-K of Nevada Power Company, Date of Report (Date of Earliest Event Reported) July 25, 2008 (File No. 000-52378).)
  4. - A copy of the existing By-laws of the Trustee.
- The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration
6. - Statement No. 333-152856.)
  7. - A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.
-

**SIGNATURE**

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 7th day of November, 2008.

**THE BANK OF NEW YORK MELLON**

By: /s/ Laurence J. O'Brien

Name: Laurence J.

O'Brien

Title: Vice President

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**BY-LAWS**  
**of**  
**The Bank of New York Mellon**  
**As amended and Restated through July 1, 2008**

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BY-LAWS  
of  
The Bank of New York Mellon

As amended and Restated through July 1, 2008

ARTICLE I  
STOCKHOLDERS

SECTION 1.1. Annual Meeting. The annual meeting of stockholders of The Bank of New York Mellon (hereinafter called the Bank) for the election of directors and the transaction of such other business as properly may be brought before such meeting shall be held within each calendar year at the principal office of the Bank, or such other place as shall be specified in the notice of such meeting, on such day and at such hour as may be fixed by the Board of Directors (hereinafter called the Board).

SECTION 1.2. Special Meetings. Special meetings of the stockholders of the Bank (hereinafter called the stockholders) may be called by the Board, the Executive Chairman of the Board, the Chief Executive Officer or the President and shall be called upon the written request of the holders of record of a majority of the outstanding shares of stock of the Bank entitled to vote at the meeting requested to be called. Such meetings of stockholders shall be held on such day and at such hour and at such place, within or without the State of New York, as may be fixed by the Board.

SECTION 1.3. Notice of Meetings. Notice of each meeting of stockholders shall be given in writing, not less than ten nor more than fifty days before the date of the meeting, to each stockholder entitled to vote at such meeting, and shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called. If mailed, such notice shall be deemed to have been given when deposited in the United States mail, with postage thereon prepaid, directed to the stockholder at his address as it appears on the record of stockholders.

Notwithstanding the foregoing, notice of meeting need not be given to any stockholder who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any stockholder at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him.

SECTION 1.4. Quorum of Stockholders. The holders of a majority of the shares entitled to vote thereat shall constitute a quorum at a meeting of stockholders for the transaction of any business. At all meetings of stockholders, a quorum being present, all matters, except as otherwise provided by law or the Organization Certificate of the Bank, shall be authorized by a majority of the votes cast at the meeting by the stockholders present in person or by proxy and entitled to vote thereon. The stockholders present may adjourn the meeting despite the absence of a quorum.

ARTICLE II  
BOARD OF DIRECTORS

SECTION 2.1. Number of Directors. The business of the Bank shall be managed by the Board of Directors (the "Board") which shall consist of such number of directors, within the minimum and maximum limits prescribed in the Organization Certificate of the Bank, as from time-to-time shall be determined by the vote of a majority of the directors then in office or by the stockholders. In the event of any increase in the number of directors, additional directors shall be elected in the manner herein prescribed for the

filling of vacancies. No decrease in the number of directors shall shorten the term of any incumbent director. All directors must possess such qualifications as to stock ownership, citizenship, residence and age as are prescribed by the Banking Law. Directors shall hold office until the next annual meeting of the stockholders and until their successors are elected and have qualified.

SECTION 2.2. Eligibility. No person shall be eligible for election or reelection as a member of the Board who shall have attained the age of seventy years.

SECTION 2.3. Meetings of the Board. An annual meeting of the Board shall be held in each year within fifteen days after the annual meeting of stockholders. Regular meetings of the Board shall be held on such day and at such hour as the directors may fix from time-to-time, and no notice thereof need be given. In case any date for a meeting shall fall on a public holiday, such meeting shall be held on the next succeeding business day. Special meetings of the Board may be held at any time upon the call of the Executive Chairman of the Board or the Chief Executive Officer or, in their absence, a principal executive officer and shall be called upon the written request of any two directors.

Meetings of the Board shall be held at such places within or without the State of New York as may be fixed by the Board. If no place is so fixed, meetings of the Board shall be held at the principal office of the Bank in the City of New York.

Notices of the annual and special meetings of the Board shall be given by delivery, mail, telegraph, facsimile, e-mail, radio or cable to each director at his usual place of business or residence address not later than noon, New York time, on the third day prior to the day on which the meeting is to be held or, if given personally or by telephone, not later than noon, New York time, on the day before the day on which the meeting is to be held.

Notice of a meeting of the Board need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Except for announcement at the meeting, notice of the time and place of any adjourned meeting need not be given.

Members of the Board may participate in a meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

SECTION 2.4. Quorum of Directors and Action by the Board. One-third of the entire Board, but in no case less than five directors, shall constitute a quorum for the transaction of business. Except as otherwise required by law, the Organization Certificate of the Bank or these By-laws, the vote of a majority of the directors present at a meeting at the time of such vote, if a quorum is then present, shall be the act of the Board.

SECTION 2.5. Removal of Directors. Any one or more of the directors may be removed for cause by action of the Board. Any or all of the directors may be removed with or without cause by vote of the stockholders.

SECTION 2.6. Vacancies. All vacancies in the office of director shall be filled by election by the stockholders, except that vacancies not exceeding one-third of the entire

Board may be filled by the affirmative vote of a majority of the directors in office and the directors so elected shall hold office for the balance of the unexpired term.

SECTION 2.7. Compensation. Members of the Board, except members who are officers of The Bank of New York Mellon Corporation or any of its subsidiaries, shall be entitled to receive such compensation and such fees for attendance as the Board shall fix from time-to-time.

SECTION 2.8. Minutes. Regular minutes of the proceedings of the Board shall be kept in books to be provided for that purpose which shall always be open for the inspection of any director.

SECTION 2.9. Reports. At each regular meeting of the Board there shall be submitted a report of the concerns and business of the Bank, including such reports as shall be required by law or by regulation of the authorities having jurisdiction over the Bank.

SECTION 2.10. Action without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, to the extent permitted by law and regulation, may be taken without a meeting if all members of the Board or of such committee, as the case may be, consent thereto in writing and such consent is filed with the minutes of the proceedings of the Board or such committee.

### ARTICLE III EXECUTIVE COMMITTEE

SECTION 3.1. Membership. The Board, by resolution adopted by a majority of the entire Board at its annual meeting, shall designate from among its members an Executive Committee, consisting of not less than five directors, which shall have all the authority of the Board, except as may be otherwise provided by law.

Vacancies in the Executive Committee shall be filled by the Board. The Board may designate one or more directors as alternate members of the Executive Committee who may replace any absent member or members at any meeting of such committee.

SECTION 3.2. Time and Place of Meetings. There shall be meetings of the Executive Committee at the principal office of the Bank, on such day, at such hour and at such place as the Committee may fix from time-to-time, and no notice thereof need be given.

SECTION 3.3. Special Meetings. Special meetings of the Executive Committee may be called at any time by the Executive Chairman of the Board or the Chief Executive Officer or, in their absence, a principal executive officer and shall be called upon the written request of any two members of the Committee. Notice of such meetings shall be given or waived as provided in Article II for special meetings of the Board.

SECTION 3.4. Quorum. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. Members of the Executive Committee may participate in a meeting of the Executive Committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

SECTION 3.5. Compensation. The members of the Executive Committee, other than officers of The Bank of New York Mellon Corporation or any of its subsidiaries, shall receive such compensation and fees as the Board may determine from time-to-time.

SECTION 3.6. Minutes. Regular minutes of the proceedings of the Executive Committee shall be kept in books to be provided for that purpose which shall always be open for the inspection of any director. Minutes of the meetings of the Executive Committee since the previous meeting of the Board shall be submitted at the next regular monthly meeting of the Board.

SECTION 3.7. Reports. At each meeting of the Executive Committee there shall be submitted a report of the concerns and business of the Bank, including such reports as shall be required by law or by regulation of the authorities having jurisdiction over the Bank.

#### ARTICLE IV OTHER COMMITTEES

SECTION 4.1. Examining Committee. The Board shall appoint an Examining Committee of not less than three of its members, none of whom shall be an officer of The Bank of New York Mellon Corporation or any of its subsidiaries, who shall hold office at the pleasure of the Board. The Committee shall conduct examinations of the affairs of the Bank as required by the Banking Law or as directed by the Board and shall have supervision over the activities of the Auditor. The Committee also shall review the examinations of the Bank made by the regulatory authorities and report to the Board its recommendations with respect thereto.

SECTION 4.2. Other Committees of Directors, Officers and/or Other Persons. The Board may appoint, or authorize the Executive Chairman or the Chief Executive Officer or, in their absence, a principal executive officer to appoint, from time-to-time, such other committees consisting of directors, officers and/or other persons and having such powers, duties and functions in or relating to the business and affairs of the Bank as the Board may determine. Each such committee and each member thereof shall serve at the pleasure of the Board and, in the case of any committee appointed by the Executive Chairman, the Chief Executive Officer or a principal executive officer, at the pleasure of the Executive Chairman or of the Chief Executive Officer or, in their absence, of a principal executive officer. A majority of all members of any such committee may determine the rules of order and procedure of such committee and the time and place of its meetings, unless the Board, or, in the case of any committee appointed by the Executive Chairman, the Chief Executive Officer or a principal executive officer, the Executive Chairman or the Chief Executive Officer or, in their absence, a principal executive officer, shall otherwise provide.

SECTION 4.3. Compensation. Members of committees, other than officers of The Bank of New York Mellon Corporation or any of its subsidiaries, shall be paid such compensation and such other fees for attendance at meetings as the Board shall determine from time-to-time.

SECTION 4.4. Manner of Acting. Members of the Examining Committee or other committees of directors, officers and/or other persons appointed by the Board may participate in a meeting of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE V  
OFFICERS

SECTION 5.1. Principal Executive Officers. The Board at its annual meeting shall elect from its number an Executive Chairman of the Board (hereinafter called the Executive Chairman), who shall serve also as Chairman of the Executive Committee, a Chief Executive Officer, and a President. The Board may designate the Chief Executive Officer or the President, or one of the persons holding titles provided in Section 5.2, to act as and carry the additional title of Chief Operating Officer. Officers elected pursuant to this Section 5.1 shall hold office during the pleasure of the Board, which may fill any vacancy and change the designation of the Chief Operating Officer at any regular or special meeting. Officers elected under this section may be removed with or without cause by the Board.

SECTION 5.2. Senior Executive Officers. The Board or the Executive Committee shall elect one or more senior executive officers, any of whom may be designated Vice Chairman of the Board, or Senior Executive Vice President and may elect such other officers with such titles as may be specified upon election. The order of seniority shall be determined by the Chief Executive Officer with the approval of the Board or the Executive Committee. Senior executive officers elected under this section may be removed with or without cause by the Board.

SECTION 5.3. Other Senior Officers. The Board or the Executive Committee shall elect a Secretary; a Treasurer; a Comptroller; a Chief Auditor; and such other officers with such titles as may be specified upon election. The order of seniority shall be determined by the Chief Executive Officer with the approval of the Board or the Executive Committee. The Chief Executive Officer or, in his absence, a principal executive officer, may remove any of the officers elected under this section with or without cause with the approval of the Board or the Executive Committee.

SECTION 5.4. Appointed Officers. Officers of the Bank carrying titles set forth in this section may be appointed and removed with or without cause by the Chief Executive Officer or, in his absence, by a principal executive officer. Such officers may include one or more Executive Vice Presidents; one or more Managing Directors; one or more Senior Vice Presidents; one or more Vice Presidents; one or more Assistant Vice Presidents; and such other officers with such titles as may be specified upon appointment.

SECTION 5.5. Bonds. The Board may require any or all officers or employees to give bonds from time-to-time.

SECTION 5.6. General Supervisory Powers. The Chief Executive Officer or, in his absence, a principal executive officer, shall have general supervision of the policies and operations of the Bank which shall in every case be subject to the direction and control of the Board.

SECTION 5.7. Executive Officers. The principal executive officers, the senior executive officers and Executive Vice Presidents shall participate in the supervision of the policies and operations of the Bank as directed by the Chief Executive Officer. In his absence a principal executive officer, or a senior executive officer in the order of seniority determined by the Chief Executive Officer as provided in Section 5.2, shall have general supervision of such policies and operations.

SECTION 5.8. Senior Vice Presidents and Vice Presidents. Senior Vice Presidents and Vice Presidents shall participate in the supervision of operations of the Bank as

directed by the Chief Executive Officer. They shall perform such other duties as shall be assigned to them by the Board, the Chief Executive Officer or an executive officer.

SECTION 5.9. Secretary. The Secretary shall keep the minutes of all meetings of the Board and of the Executive Committee; shall attend to the giving of such notices of meetings as may be required by these By-laws and shall perform all the duties assigned to him or her by the Board or the Chief Executive Officer and in general those duties incident to the office of Secretary. He or she shall have custody of the corporate seal and shall have authority to affix the same to any documents requiring such seal and to attest the same. In the absence of the Secretary, an Assistant Secretary shall act in his or her stead.

SECTION 5.10. Treasurer. The Treasurer shall have the care and custody of all moneys, funds and other property of the Bank which may come into his or her hands and shall perform such other duties as may be assigned to him or her from time-to-time by the Board or the Chief Executive Officer.

SECTION 5.11. Comptroller. The Comptroller shall exercise general supervision over, and be responsible for, all matters pertaining to the accounting and bookkeeping of the Bank. He or she shall keep the permanent records of property and indebtedness and of all transactions bearing on the financial affairs of the Bank. The Comptroller shall perform such additional duties as shall be assigned to him or her by the Board or the Chief Executive Officer. He shall at any time on the request of any three directors report to the Board or the Executive Committee such matters concerning the affairs of the Bank as, in his, her or their judgment, should be brought to the attention of the directors.

SECTION 5.12. Auditor. The Auditor shall report, through the Examining Committee, to the Board. He or she shall be responsible for the planning and direction of the internal auditing function and the evaluation of the internal control safeguards of the Bank. He or she shall perform such additional duties as shall be assigned by the Board, the Examining Committee or the Chief Executive Officer.

SECTION 5.13. Other Officers. All officers whose duties are not described by these By-laws shall perform such duties as may be designated by the Chief Executive Officer or any officer authorized by him or her to do so.

## ARTICLE VI SIGNING AUTHORITIES

SECTION 6.1 *Real Property* . Real property owned by the Bank in its own right shall not be deeded, conveyed, mortgaged, assigned or transferred except when duly authorized by a resolution of the Board. The Board may from time-to-time authorize officers to deed, convey, mortgage, assign or transfer real property owned by the Bank in its own right with such maximum values as the Board may fix in its authorizing resolution.

SECTION 6.2 *Senior Signing Powers* . Subject to the exception provided in Section 6.1, the Chief Executive Officer, the President, any Vice Chairman, any Senior Executive Vice President and any Executive Vice President is authorized to accept, endorse, execute or sign any document, instrument or paper in the name of, or on behalf of, the Bank in all transactions arising out of, or in connection with, the normal course of the Bank's business or in any fiduciary, representative or agency capacity and, when required, to affix the seal of the Bank thereto. In such instances as in the judgment of the Chief Executive Officer, the President, any Vice Chairman, any Senior Executive Vice President or any Executive Vice President may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer to have the powers set forth in this section applicable only to the performance or discharge of the duties of such officer within

his or her particular division or function. Any officer of the Bank authorized in or pursuant to Section 6.3 to have any of the powers set forth therein, other than the officer signing pursuant to this Section 6.2, is authorized to attest to the seal of the Bank on any documents requiring such seal.

SECTION 6.3. *Limited Signing Powers* . Subject to the exception provided in Section 6.1, in such instances as in the judgment of the Chief Executive Officer, the President, any Vice Chairman, any Senior Executive Vice President, or any Executive Vice President may be proper and desirable, any one of said officers may authorize in writing from time to time any other officer, employee or individual to have the limited signing powers or limited power to affix the seal of the Bank to specified classes of documents set forth in a resolution of the Board applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function.

SECTION 6.4 *Powers of Attorney* . All powers of attorney on behalf of the Bank shall be executed by any officer of the Bank jointly with the Chief Executive Officer, the President, any Vice Chairman, any Senior Executive Vice President, any Executive Vice President, any Senior Vice President or any Managing Director, provided that the execution by such Senior Vice President or Managing Director of said Power of Attorney shall be applicable only to the performance or discharge of the duties of such officer within his or her particular division or function. Any such power of attorney may, however, be executed by any officer or officers or person or persons who may be specifically authorized to execute the same by the Board of Directors and, at foreign branches only, by any two officers provided one of such officers is the Branch Manager.

SECTION 6.5. *Auditor* . The Chief Auditor or any officer designated by the Chief Auditor is authorized to certify in the name of, or on behalf of the Bank, in its own right or in a fiduciary or representative capacity, as to the accuracy and completeness of any account, schedule of assets, or other document, instrument or paper requiring such certification.

## ARTICLE VII INDEMNIFICATION

SECTION 7.1. Indemnification. Any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, is or was a director, trustee, officer or employee of the Bank or serves or served any other corporation in any capacity, at the request of the Bank, shall be indemnified by the Bank and the Bank may advance his related expenses, to the full extent permitted by law. For purposes of this Article VII, the Bank may consider the term "Bank" to include any corporation which has been merged or consolidated into the Bank or of which the Bank has acquired all or substantially all the assets in a transaction requiring authorization by the shareholders of the corporation whose assets were acquired.

SECTION 7.2. Other Indemnification. The foregoing provisions of this Article VII shall apply in respect of all alleged or actual causes of action accrued before, on or after September 1, 1964, except that, as to any such cause of action which accrued before such date, the Bank may provide, and any person concerned shall be entitled to, indemnification under and pursuant to any statutory provision or principle of common law in effect prior to such date, all to the extent permitted by law.

ARTICLE VIII  
CAPITAL STOCK

SECTION 8.1. Certificates of Stock. Certificates of stock shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and may bear the seal of the Bank. The signatures and the seal may be facsimile to the extent permitted by law. In case any officer who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Bank with the same effect as if he were such officer at the date of issue.

SECTION 8.2. Transfer of Certificates. Separate books of transfer shall be kept in which transfers of shares of stock shall be entered by the person entitled to make such transfer or his attorney-in-fact, upon surrender of the certificate for the shares to be transferred in proper form for such transfer.

SECTION 8.3. New Certificates. No new certificate shall be issued until the former certificate is cancelled except when a certificate is lost or destroyed a new certificate may be issued on such terms as the Board may prescribe.

ARTICLE IX  
CORPORATE SEAL

SECTION 9.1. The Seal. The Board shall provide a corporate seal for the Bank which may be affixed to any document, certificate or paper and attested by such individuals as provided by these By-laws or as the Board may from time-to-time determine.

ARTICLE X  
AMENDMENT OF BY-LAWS

SECTION 10.1. Procedure for Amendments. By-laws of the Bank may be adopted, amended or repealed by vote of the stockholders entitled to vote in any election of directors. By-laws may also be adopted, amended or repealed by a majority of all the directors then in office. Any By-law adopted by the Board may be amended or repealed by the stockholders entitled to vote thereon as hereinabove provided. If any By-law regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of stockholders for the election of directors the By-law so adopted, amended or repealed, together with a concise statement of the changes made.

I, \_\_\_\_\_ Secretary of The Bank of New York Mellon, New York, N.Y. 10286, do hereby certify that the foregoing is a complete, true and correct copy of the By-laws of The Bank of New York Mellon, and that the same are in full force and effect at this date.

\_\_\_\_\_  
Secretary

Dated: \_\_\_\_\_

Consolidated Report of Condition of  
THE BANK OF NEW YORK  
of One Wall Street, New York, N.Y. 10286  
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business September 30, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
<b>ASSETS</b>	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	\$44,129,000
Interest-bearing balances	48,207,000
Securities:	
Held-to-maturity securities	7,661,000
Available-for-sale securities	39,616,000
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold in domestic offices	877,000
Securities purchased under agreements to resell	4,598,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	46,218,000
LESS: Allowance for loan and lease losses	324,000
Loans and leases, net of unearned income and allowance	45,894,000
Trading Assets	6,900,000
Premises and fixed assets (including capitalized leases)	1,087,000
Other real estate owned	7,000
Investments in unconsolidated subsidiaries and associated companies	858,000
Not applicable	
Intangible assets:	
Goodwill	5,026,000
Other intangible assets	1,619,000
Other assets	12,220,000
Total assets	<u>\$218,699,000</u>

**LIABILITIES**

Deposits:	
In domestic offices	\$103,521,000
Noninterest-bearing	80,077,000
Interest-bearing	23,444,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	67,951,000
Noninterest-bearing	2,259,000
Interest-bearing	65,692,000
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased in domestic offices	4,367,000
Securities sold under agreements to repurchase	76,000
Trading liabilities	5,676,000
Other borrowed money: (includes mortgage indebtedness and obligations under capitalized leases)	12,514,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	
	<u>8,209,000</u>
Total liabilities	<u>\$205,804,000</u>
Minority interest in consolidated subsidiaries	473,000

**EQUITY CAPITAL**

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	6,764,000
Retained earnings	6,564,000
Accumulated other comprehensive income	-2,041,000
Other equity capital components	0
Total equity capital	<u>12,422,000</u>
Total liabilities, minority interest, and equity capital	<u>\$218,699,000</u>

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas J. Mastro,  
Senior Vice President and Comptroller

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Thomas A. Renyi  
Gerald L. Hassell  
Alan R. Griffith

Directors

**LETTER OF TRANSMITTAL**

**Offer to Exchange  
6.50% Notes due 2018  
which have been registered under the Securities Act of 1933  
for any and all outstanding  
6.50% Notes due 2018  
which have not been registered under the Securities Act of 1933  
of  
NATIONAL FUEL GAS COMPANY**

**Pursuant to the Prospectus dated \_\_\_\_\_, 2008**

**THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2008 UNLESS THE OFFER IS EXTENDED.**

Deliver to The Bank of New York Mellon  
(the "Exchange Agent")

*By Hand Delivery, Overnight Delivery or Mail (registered or certified recommended):*

The Bank of New York Mellon  
101 Barclay Street, 7 East  
New York, New York 10286  
Attention: Reorganization Unit  
Reference: National Fuel Gas Company Exchange

*By Facsimile Transmission  
(for Eligible Institutions Only):*  
(212) 298-1915

Reference: National Fuel Gas Company Exchange

*To confirm by telephone or for information :*

(212) 815-3687

Reference: National Fuel Gas Company Exchange

**Delivery of this Letter of Transmittal to an address or transmission hereof to a facsimile number other than those set forth above will not constitute a valid delivery.**

The undersigned hereby acknowledges receipt of the Prospectus dated \_\_\_\_\_, 2008 (the "Prospectus") of National Fuel Gas Company (the "Company") and this Letter of Transmittal (the "Letter of Transmittal"), which together constitute the Company's offer (the "Exchange Offer") to exchange its 6.50% Notes due 2018 which have been registered under the Securities Act of 1933, as amended (the "New Notes"), for any and all of its outstanding 6.50% Notes due 2018 which have not been registered under the Securities Act of 1933, as amended (the "Original Notes"). The terms of the New Notes to be issued are substantially identical to the Original Notes, except that (1) the New Notes have been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a Registration Statement of which the Prospectus is a part, (2) the New Notes will not be subject to transfer restrictions applicable to the Original Notes and will not have registration rights, and (3) provisions providing for an increase in the stated interest rate on the Original Notes will be eliminated after completion of the Exchange Offer. The term "Expiration Date" shall mean 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, unless the Company, in its sole discretion, extends the duration of the Exchange Offer. Capitalized terms used but not defined herein have the respective meanings given to them in the Prospectus.

**PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL CAREFULLY BEFORE  
COMPLETING IT.**

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Guaranteed Delivery: \_\_\_\_\_

Name of Eligible Institution that Guaranteed Delivery: \_\_\_\_\_

If delivered by book-entry transfer: \_\_\_\_\_

Name of Tendering Institution: \_\_\_\_\_

DTC Account Number: \_\_\_\_\_

Transaction Code Number: \_\_\_\_\_

- CHECK HERE IF TENDERED BY BOOK-ENTRY TRANSFER AND NON-EXCHANGED ORIGINAL NOTES ARE TO BE RETURNED BY CREDITING THE DTC ACCOUNT NUMBER SET FORTH ABOVE.
- CHECK HERE IF YOU ARE A BROKER-DEALER WHO ACQUIRED THE ORIGINAL NOTES FOR ITS OWN ACCOUNT AS A RESULT OF MARKET-MAKING OR OTHER TRADING ACTIVITIES AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of New Notes. If the undersigned is a broker-dealer that will acquire New Notes for its own account in exchange for Original Notes that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such New Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

SIGNATURES MUST BE PROVIDED BELOW  
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

I, the undersigned, hereby tender to the Company the principal amount of the Original Notes indicated above. I hereby exchange, assign and transfer to the Company all right, title and interest in and to such Original Notes, including all rights to accrued and unpaid interest thereon as of the Expiration Date. I hereby irrevocably constitute and appoint the Exchange Agent my true and lawful agent and attorney-in-fact (with full knowledge that the Exchange Agent is also acting as the agent of the Company in connection with the Exchange Offer) with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) and full power and authority to assign, transfer and exchange the Original Notes, including, but not limited to, the power and authority to: (i) deliver Certificates for Original Notes together with all accompanying evidence of transfer and authenticity to, or upon the order of, the Company, upon receipt by the Exchange Agent, as the undersigned's agent, of the New Notes to be issued in exchange for such Original Notes, (ii) present Certificates for such Original Notes for transfer, and to transfer the Original Notes on the books of the Company, and (iii) receive for the account of the Company all benefits and otherwise exercise all rights of beneficial ownership of such Original Notes, all in accordance with the terms and conditions of the Exchange Offer. I fully understand that the Exchange Agent is acting as the agent of the Company in connection with the Exchange Offer. I represent and warrant that I have full power and authority to tender, assign and transfer the Original Notes and to acquire New Notes in exchange therefor. I represent that the Company, upon accepting the Original Notes for exchange, will acquire good and unencumbered title to the Original Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims.

I further represent that (i) I am not an "affiliate" of the Company, (ii) the New Notes are being obtained in the ordinary course of business of the person receiving such New Notes, whether or not I am such person, and (iii) neither I nor any such other person receiving the New Notes is engaged or intends to engage in, or has an arrangement or understanding with any person to participate in, the distribution of such New Notes. Upon a request by the Company, the undersigned will deliver to the Company a legal opinion confirming its representation made in clause (i) above. If I am or such other person is a broker-dealer who is receiving the New Notes for its own account in exchange for Original Notes that were acquired as a result of market-making or other trading activities, I acknowledge that I or such other person will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes. However, by so acknowledging or by delivering a prospectus, I will not be deemed to admit that I am an "underwriter" within the meaning of the Securities Act. If I am or any such other person is participating in the exchange offer for the purpose of distributing the New Notes, we acknowledge that (i) we cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in Exxon Capital Holdings Corporation (available May 13, 1988), Morgan Stanley & Co. Inc. (available June 5, 1991) or similar no-action letters regarding exchange offers and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction and (ii) we may incur liability under the Securities Act if we fail to comply with such requirements, liability from which we are not indemnified by the Company. If I am or any such other person is an affiliate (as defined under Rule 405 of the Securities Act) of the Company, I understand and acknowledge that I or such other person may not offer for resale, resell or otherwise transfer such New Notes without registering them under the Securities Act or without an exemption therefrom.

I also warrant that I will, upon request, execute and deliver any additional documents deemed necessary or desirable by the Exchange Agent or the Company to complete the exchange, assignment and transfer of tendered Original Notes. I further agree that the Company's acceptance of any tendered Original Notes and its issuance of New Notes in exchange therefor shall constitute performance in full by the Company of its obligations under the Registration Rights Agreement. The Company shall have no further obligations or liabilities thereunder for the registration of the Original Notes or the New Notes.

The Exchange Offer is subject to certain conditions set forth in the Prospectus under the caption "The Exchange Offer — Conditions." I recognize that the Company may not be required to exchange the

Original Notes tendered hereby under certain circumstances. In such event, the Original Notes tendered hereby but not exchanged will be returned to me promptly after the Expiration Date.

The authority I am hereby conferring or have agreed to confer shall survive my death or incapacity. My obligations under this Letter of Transmittal shall be binding upon my heirs, personal representatives, successors and assigns.

Unless otherwise indicated in the box entitled "Special Registration Instructions" or the box entitled "Special Delivery Instructions" in this Letter of Transmittal, certificates for all New Notes delivered in exchange for the Original Notes tendered hereby, and for any Original Notes tendered hereby but not exchanged, will be registered in my name and returned to me or, in the case of a book-entry transfer of Original Notes, will be credited to the account indicated above at DTC. If an Exchange Note is to be issued or mailed to a person other than the undersigned, or to the undersigned at an address different from the address shown on this Letter of Transmittal, I will complete the appropriate boxes on page 6 of this Letter of Transmittal.

I UNDERSTAND THAT IF I AM SURRENDERING ORIGINAL NOTES AND HAVE COMPLETED EITHER THE BOX ENTITLED "SPECIAL REGISTRATION INSTRUCTIONS" OR THE BOX ENTITLED "SPECIAL DELIVERY INSTRUCTIONS" IN THIS LETTER OF TRANSMITTAL, THE SIGNATURE(S) ON THIS LETTER OF TRANSMITTAL MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION (PER INSTRUCTION 4 OF THIS LETTER OF TRANSMITTAL).

**SPECIAL REGISTRATION INSTRUCTIONS (See Instruction 5)**

To be completed ONLY if the New Notes are to be issued in the name of someone other than the registered holder of the Original Notes:

Issue or deposit New Notes to: \_\_\_\_\_

Name(s): \_\_\_\_\_

Account No. (if applicable): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Taxpayer Identification or  
Social Security Number: \_\_\_\_\_

DTC Account No.: \_\_\_\_\_

(PLEASE PRINT OR TYPE)

**SPECIAL DELIVERY INSTRUCTIONS  
(See Instruction 5)**

To be completed ONLY if New Notes are to be sent to someone other than the registered holder of the Original Notes, or to such registered holder at an address other than that shown under "Description of Notes Tendered Hereby."

Mail Notes to: \_\_\_\_\_

Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Taxpayer Identification or  
Social Security Number: \_\_\_\_\_

Is this a permanent address change?  
(check one box)

Yes                       No

(PLEASE PRINT OR TYPE)



**REGISTERED HOLDERS OF ORIGINAL NOTES**

**PLEASE SIGN HERE**

**(In Addition, Complete Substitute Form W-9 Below)**

X

\_\_\_\_\_

X

\_\_\_\_\_

**(Signature(s) of Registered Holder(s) or Authorized Signatory)**

Must be signed by registered holder(s) exactly as name(s) appear(s) on the Original Notes or on a security position listing as the owner of the Original Notes or by person(s) authorized to become registered holder(s) by properly completed bond powers transmitted herewith. If the signature above is by attorney-in-fact, trustee, executor, administrator, guardian, officer of a corporation or other person acting in fiduciary capacity, please set forth the signer's full title. Please complete the following:

(PLEASE PRINT OR TYPE):

Name and Capacity (full title): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Tax Identification or Social Security No.: \_\_\_\_\_

Dated: \_\_\_\_\_

**SIGNATURE GUARANTEE (If required — see Instruction 4)**

Authorized Signature: \_\_\_\_\_  
(Signature of Representative of Signature Guarantor)

Name and Title: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

**SUBSTITUTE FORM W-9**  
**THE INSTRUCTIONS BELOW MUST BE FOLLOWED :**

PROVIDE SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER ON THIS SUBSTITUTE FORM W-9 AND CERTIFY THEREIN THAT YOU ARE NOT SUBJECT TO BACKUP WITHHOLDING. FAILURE TO DO SO WILL CURRENTLY SUBJECT YOU TO WITHHOLDING FROM YOUR PROCEEDS.

PAYER'S NAME: NATIONAL FUEL GAS COMPANY

**SUBSTITUTE  
FORM W-9**  
Department of the Treasury  
Internal Revenue Service  
Payer's Request for Taxpayer  
Identification Number (TIN) and  
Certification

**Part I** PLEASE PROVIDE YOUR SOCIAL SECURITY NUMBER OR TAXPAYER IDENTIFICATION NUMBER IN THE BOX AT THE RIGHT & CERTIFY BY SIGNING & DATING BELOW

Social Security Number

OR

Employer Identification Number

or awaiting TIN

(see note below)

Name: \_\_\_\_\_

**Part II** If you are exempt from backup withholding, please write "Exempt" in the box at the right and certify by signing and dating the Certification below.

**Part III** Certification — Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Social Security Number or Taxpayer Identification Number (or I am waiting for a number to be issued to me);

(2) I am not subject to backup withholding either because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and

(3) I am a United States person (which includes a United States resident alien).

(4) All information provided in this form is true, correct, and complete.

**Certification Instructions** — You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because you have failed to report all interest and dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding, you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2).

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTE:** FAILURE TO COMPLETE AND RETURN THIS SUBSTITUTE FORM W-9 OR, IF "APPLIED FOR" IS INDICATED, FAILURE TO SUBMIT A VALID TIN PRIOR TO PAYMENT OF PROCEEDS, MAY RESULT IN BACKUP WITHHOLDING ON ANY PAYMENTS MADE TO YOU PURSUANT TO THE EXCHANGE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER



IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

**YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU ARE AWAITING YOUR TIN.**

**CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER**

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a Taxpayer Identification Number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a Taxpayer Identification Number by the time of payment, backup withholding will apply to all reportable payments made to me until I provide such a number.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Address (please print): \_\_\_\_\_

**INSTRUCTIONS TO LETTER OF TRANSMITTAL**  
**(Forming part of the terms and conditions of the Exchange Offer)**

1. *Delivery of this Letter of Transmittal and Certificates for Tendered Original Notes* . All certificates representing Original Notes or any confirmation of a book-entry transfer to the Exchange Agent's account at DTC, as well as a properly completed and duly executed copy or facsimile of this Letter of Transmittal, and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at any of its addresses set forth herein prior to the Expiration Date.

THE HOLDER ASSUMES THE RISK ASSOCIATED WITH THE DELIVERY OF THIS LETTER OF TRANSMITTAL, THE ORIGINAL NOTES, AND ANY OTHER REQUIRED DOCUMENTS. EXCEPT AS OTHERWISE PROVIDED BELOW, DELIVERY WILL BE DEEMED MADE ONLY WHEN THE EXCHANGE AGENT HAS ACTUALLY RECEIVED THE APPLICABLE ITEMS. IF SUCH DELIVERY IS BY MAIL, IT IS SUGGESTED THAT REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, BE USED. DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH HEREIN, OR TRANSMISSION TO A FACSIMILE NUMBER OTHER THAN THE ONES SET FORTH HEREIN, WILL NOT CONSTITUTE A VALID DELIVERY.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering Holders, by execution of this Letter of Transmittal (or facsimile thereof), shall waive any right to receive notice of the acceptance of the Original Notes for exchange.

2. *Guaranteed Delivery Procedures* . Holders who desire to tender Original Notes for exchange, but who cannot comply with the procedures for tendering on a timely basis set forth in the Prospectus under the caption "The Exchange Offer — Exchange Offer Procedures" or whose Original Notes are not immediately available may tender in one of the following two ways:

(a)(i) The tender is made through a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, Inc., through a commercial bank or trust company having an office or correspondent in the United States or through an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution");

(ii) prior to the Expiration Date, the Exchange Agent receives from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) (i) setting forth the name and address of the Holder, the registration or certificate number(s) of the Original Notes tendered and the principal amount of such Original Notes, (ii) stating that the tender is being made thereby, and (iii) guaranteeing that, within three business days after the Expiration Date, the Letter of Transmittal (or facsimile thereof), together with the certificates representing the Original Notes, or a book-entry confirmation, and any other required documents, will be deposited by the Eligible Institution with the Exchange Agent; and

(iii) such properly completed and executed Letter of Transmittal (or facsimile thereof), as well as duly executed certificates representing all tendered Original Notes in proper form for transfer, or a book-entry confirmation, and all other required documents are received by the Exchange Agent within three business days after the Expiration Date;

or

(b)(i) Prior to the Expiration Date, the Exchange Agent receives an agent's message from DTC stating that DTC has received an express acknowledgment from the participant in DTC tendering the Original Notes that they have received and agree to be bound by the Notice of Guaranteed Delivery; and

(ii) the Exchange Agent receives, within three business days after the Expiration Date, either (1) a book-entry confirmation, including an agent's message, transmitted via DTC's Automated Tender Offer Program, or (2) a properly completed and executed letter of transmittal or facsimile thereof, together

with the certificate(s) representing all tendered Original Notes in proper form for transfer, or a book-entry confirmation, and all other required documents.

Upon request, the Exchange Agent will send a Notice of Guaranteed Delivery to a Holder who wishes to tender Original Notes according to the guaranteed delivery procedures set forth above. Such Holder must ensure that the Exchange Agent receives the Notice of Guaranteed Delivery prior to the Expiration Date. Failure to complete the guaranteed delivery procedures outlined above will not, of itself, affect the validity or effect a revocation of any Letter of Transmittal properly completed and executed by a Holder who attempted to use the guaranteed delivery procedures.

3. *Partial Tenders; Withdrawal* . A Holder who tenders less than the entire principal amount of Original Notes evidenced by a submitted certificate should fill in the principal amount tendered in the column entitled "Principal Amount Tendered" of the box entitled "Description of Notes Tendered Hereby" on page 2 of this Letter of Transmittal. A newly-issued Original Note for that portion of the principal amount not tendered will be sent to such Holder after the Expiration Date. All Original Notes delivered to the Exchange Agent will be deemed to have been tendered in full unless otherwise indicated. Tenders of Original Notes will be accepted only in integral multiples of \$2,000 and integral multiples of \$1,000 in excess thereof.

A Holder may withdraw a tender of Original Notes at any time prior to the Expiration Date. Thereafter, tenders of Original Notes are irrevocable. To be effective, a written, telegraphic or facsimile transmission notice of withdrawal must be timely received by the Exchange Agent. Any such notice of withdrawal must (i) specify the name of the withdrawing Holder (ii) identify the Original Notes to be withdrawn (including the certificate registration number(s) and principal amount of such Original Notes, or, in the case of Original Notes transferred by book-entry transfer, the name and number of the account at the book-entry transfer facility to be credited), (iii) be signed by the Holder in the same manner as the original signature on this Letter of Transmittal (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee with respect to the Original Notes register the transfer of such Original Notes into the name of the person withdrawing the tender and (iv) specify the name in which any such Original Notes are to be registered, if different from that of the depositor. Any Original Notes that have been tendered but not accepted for exchange will be returned to the Holder thereof without cost to such Holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer.

4. *Signature on this Letter of Transmittal; Written Instruments and Endorsements; Guarantee of Signatures* . If this Letter of Transmittal is signed by the registered Holder(s) of the Original Notes, the signature must correspond with the name(s) as written on the face of the certificates without alteration or enlargement. If this Letter of Transmittal is signed by a participant in the book-entry transfer facility, the signature must correspond with the name as it appears on the security position listing as the holder of the Original Notes.

If there are two or more joint owners of record of Original Notes, they must all sign this Letter of Transmittal.

If a number of Original Notes registered in different names are tendered, it will be necessary to complete, sign and submit as many separate copies of this Letter of Transmittal as there are different registrations of Original Notes.

Signatures on this Letter of Transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an Eligible Institution unless the Original Notes are tendered (i) by a registered Holder who has not completed the box entitled "Special Registration Instructions" or "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution.

If this Letter of Transmittal is signed by the registered Holder of Original Notes (which term, for the purposes described herein, shall include a participant in the book-entry transfer facility whose name appears on a security listing as the holder of the Original Notes) listed and tendered hereby, no

endorsements of the tendered Original Notes or separate written instruments of transfer or exchange are required. In any other case, the registered Holder (or acting Holder) must either properly endorse the Original Notes or properly transmit completed bond powers with this Letter of Transmittal (in either case, executed exactly as the name(s) of the registered Holder(s) appear(s) on the Original Notes, and, with respect to a participant in the book-entry transfer facility whose name appears on a security position listing as the owner of Original Notes, exactly as the name of the participant appears on such security position listing), with the signature on the Original Notes or bond power guaranteed by an Eligible Institution (except where the Original Notes are tendered for the account of an Eligible Institution).

If this Letter of Transmittal, any certificates or separate written instruments of transfer or exchange are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority so to act must be submitted.

*5. Special Registration and Delivery Instructions* . Holders should indicate, in the applicable box, the name (or account at the book-entry transfer facility) in which and address to which the New Notes are to be issued (or deposited) if different from the names and addresses or accounts of the person signing this Letter of Transmittal. In the case of issuance in a different name, the employer identification number or social security number of the person named must also be indicated and the Holder should complete the applicable box on page 5 of this Letter of Transmittal.

If no instructions are given, the New Notes will be issued in the name of and sent to the current Holder of the Original Notes or deposited at such Holder's account at the book-entry transfer facility.

*6. Transfer Taxes* . The Company shall pay all transfer taxes, if any, applicable to the transfer and exchange of Original Notes to it or its order pursuant to the Exchange Offer. If a transfer tax is imposed for any reason other than the transfer and exchange of Original Notes to the Company or its order pursuant to the Exchange Offer, the amount of any such transfer taxes (whether imposed on the registered Holder or otherwise) will be payable by the tendering Holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted to the Exchange Agent, the amount of such transfer taxes will be billed directly to such tendering Holder. In addition, if delivery of the New Notes is to be made to, or to be returned in the name of, any person other than the registered Holder, then the amount of any transfer taxes (whether imposed on the registered Holder or otherwise) payable on account of the transfer to such person will be payable by the tendering Holder unless satisfactory evidence of the payment of such taxes, or exemption therefrom, is submitted to the Exchange Agent.

Except as provided in this Instruction 6 of this Letter of Transmittal, it will not be necessary for transfer stamps to be affixed to the Original Notes listed herein.

*7. Waiver of Conditions* . The Company reserves the absolute right to waive, in whole or in part, any of the conditions to the Exchange Offer set forth in the Prospectus.

*8. Mutilated, Lost, Stolen or Destroyed Notes* . Any Holder whose Original Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

*9. Requests for Assistance or Additional Copies* . Questions relating to the procedure for tendering as well as requests for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number(s) set forth above. In addition, all questions relating to the Exchange Offer, as well as requests for assistance or additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Company at 6363 Main Street, Williamsville, New York 14221, Attention: Secretary, Telephone: (716) 857-7858.

10. *Validity and Form* . The Company will determine in its sole discretion all questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered Original Notes, which determination will be final and binding. The Company reserves the absolute right to reject any and all Original Notes not properly tendered or any Original Notes the Company's acceptance of which would, in the opinion of counsel for the Company, be unlawful. The Company also reserves the right to waive any defects, irregularities or conditions of tender as to particular Original Notes. The Company's interpretation of the terms and conditions of the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Original Notes must be cured within such time as the Company shall determine. Although the Company intends to notify Holders of defects or irregularities with respect to tenders of Original Notes, neither the Company, the Exchange Agent nor any other person shall incur any liability for failure to give such notification. Tenders of Original Notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any Original Notes received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering Holders as soon as practicable after the Expiration Date, or, in the case of Original Notes tendered by book-entry transfer, will be transferred into the holder's account at DTC according to the procedures described above.

### **IMPORTANT TAX INFORMATION**

Under current U.S. federal income tax law, the Exchange Agent may be required to withhold a portion of the payments made to a Holder with respect to tendered Original Notes. To avoid such backup withholding, each Holder tendering Original Notes is required to provide the Exchange Agent with its correct Taxpayer Identification Number ("TIN") and certify on the Substitute Form W-9 enclosed above that (i) such Holder has not been notified by the IRS that he or she is subject to backup withholding as a result of failure to report all interest or dividends or (ii) the IRS has notified such holder that he or she is no longer subject to backup withholding. In general, if such Holder is an individual, the TIN is the Holder's social security number. Other Holders (including Holders whose notes are in more than one name or are not in the name of the actual Holder) should consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for the correct TIN to report. The Certificate of Awaiting Taxpayer Identification Number should be completed if the tendering Holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future. If the Exchange Agent is not provided with the correct TIN or an adequate basis for exemption, the Holder may be subject to a \$50 penalty imposed by the Internal Revenue Service (the "IRS") on each failure to provide a correct TIN, and any reportable payments made to such Holder with respect to tendered Original Notes may be subject to backup withholding at the applicable rate (currently, 28%). Such reportable payments generally will be subject to information reporting, even if the Holder provides a TIN.

Certain Holders (including, among others, corporations and tax-exempt entities) are not subject to these backup withholding and information reporting requirements. For such a Holder to qualify as an exempt recipient, such Holder should complete the Substitute Form W-9 above and write "EXEMPT" on the face thereof to avoid possible erroneous withholding. A foreign person may qualify as an exempt recipient by completing the Substitute Form W-9 as described above and by submitting a properly completed Certification of Foreign Status to the Exchange Agent on Form W-8BEN, W-8ECI, W-8EXP, or W-8IMY, as applicable, signed under penalties of perjury, attesting to that Holder's exempt status. Such forms can be obtained from the Exchange Agent or from the website of the U.S. Internal Revenue Service at [www.irs.gov/formspubs/](http://www.irs.gov/formspubs/).

A Holder's failure to complete the Substitute Form W-9 may require the Exchange Agent to withhold the applicable backup withholding on any amounts otherwise payable to the Holder. Backup withholding is not an additional U.S. federal income tax. Rather, the U.S. federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of U.S. federal income taxes, a refund may be obtained, provided that the required information is furnished to the IRS in a timely manner.

NOTE: FAILURE TO COMPLETE AND RETURN THE SUBSTITUTE FORM W-9 MAY RESULT IN BACKUP WITHHOLDING OF ANY PAYMENTS MADE PURSUANT TO THIS EXCHANGE OFFER. FOR FURTHER INFORMATION CONCERNING BACKUP WITHHOLDING AND INSTRUCTIONS FOR COMPLETING SUBSTITUTE FORM W-9 (INCLUDING HOW TO OBTAIN A TIN IF YOU DO NOT HAVE ONE), HOLDERS SHOULD CONSULT THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9.

**IMPORTANT: THIS LETTER OF TRANSMITTAL OR A FACSIMILE THEREOF (TOGETHER WITH CERTIFICATES FOR ORIGINAL NOTES OR A BOOK ENTRY-CONFIRMATION AND ALL OTHER REQUIRED DOCUMENTS) OR A NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE EXCHANGE AGENT ON OR PRIOR TO 5:00 P.M., NEW YORK CITY TIME ON THE EXPIRATION DATE.**

**NOTICE OF GUARANTEED DELIVERY**

**Offer to Exchange  
6.50% Notes due 2018  
which have been registered under the Securities Act of 1933  
for any and all outstanding  
6.50% Notes due 2018  
which have not been registered under the Securities Act of 1933  
of  
NATIONAL FUEL GAS COMPANY**

A holder of 6.50% Notes due 2018 which have not been registered under the Securities Act of 1933, as amended (the “Original Notes”), of National Fuel Gas Company (the “Company”) who wishes to tender such Original Notes pursuant to the exchange offer (the “Exchange Offer”) described in the Prospectus dated \_\_\_\_\_, 2008 (as it may be supplemented from time to time, the “Prospectus”) and the accompanying Letter of Transmittal and the instructions thereto (the “Letter of Transmittal”) must complete and deliver this form or one substantially equivalent to it under the following circumstances: (i) certificates representing the Original Notes are not immediately available, (ii) the Original Notes or other required documents will not reach the Exchange Agent on or prior to the Expiration Date (as defined in the Letter of Transmittal and the Prospectus), or (iii) the appropriate procedures for book-entry transfer will not be completed on or prior to the Expiration Date. This requirement is set forth in the Prospectus in the section entitled “The Exchange Offer — Guaranteed Delivery Procedures” and in the Letter of Transmittal in Instruction 2. This form may be delivered by hand or sent by overnight courier, facsimile transmission or registered or certified mail to the Exchange Agent. The Exchange Agent must receive this form prior to 5:00 p.m., New York City time, on \_\_\_\_\_, 2008, unless extended.

To The Bank of New York Mellon  
(the “Exchange Agent”)

***By Hand Delivery, Overnight Delivery  
or Mail (registered or certified recommended):***  
The Bank of New York Mellon  
101 Barclay Street, 7 East  
New York, New York 10286  
Attention: Reorganization Unit  
Reference: National Fuel Gas Company Exchange

***By Facsimile Transmission  
(for Eligible Institutions Only):***  
(212) 298-1915  
Reference: National Fuel Gas  
Company Exchange

***To confirm by telephone or for information:***

(212) 815-3687  
Reference: National Fuel Gas Company Exchange

**Delivery of this Notice of Guaranteed Delivery to an address or transmission hereof to a facsimile number other than those set forth above will not constitute a valid delivery.**

**This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an “Eligible Institution” under the**

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**instruction thereto, such signature guarantee must appear in the applicable space provided in the box on the Letter of Transmittal for guarantee of signatures.**

As set forth in the Prospectus under “The Exchange Offer —Guaranteed Delivery Procedures,” and in the accompanying Letter of Transmittal, this form or one substantially equivalent hereto or an agent’s message relating to guaranteed delivery must be used to accept the Company’s offer to exchange its 6.50% Notes due 2018 which have been registered under the Securities Act of 1933, as amended, for a like principal amount of its Original Notes, upon the terms and conditions set forth in the Prospectus and the accompanying Letter of Transmittal, if certificates representing such Original Notes are not immediately available, time will not permit the Letter of Transmittal, certificates representing such Original Notes or other required documents to reach the Exchange Agent, or the procedures for book-entry transfer (including a properly transmitted agent’s message with respect thereto) cannot be completed, on or prior to the Expiration Date.

**PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY**

Ladies and Gentlemen:

I, the undersigned, hereby tender to the Company the principal amount of the Original Notes listed below, upon the terms of and subject to the conditions set forth in the Prospectus and the Letter of Transmittal, which I have received, pursuant to the guaranteed delivery procedures set forth in such Prospectus, as follows:

<b>Certificate or Registration Nos. (for non-book-entry Holders)</b>	<b>Aggregate Principal Amount Represented by Original Note(s)</b>	<b>Principal Amount Tendered (Must be in Integral Multiples of \$2,000 and Integral Multiples of \$1,000 in excess thereof)</b>

If Original Notes will be tendered by book-entry transfer, provide the following information:

DTC Account No.: \_\_\_\_\_

Transaction Code (if available): \_\_\_\_\_

Date: \_\_\_\_\_, 2008

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and every obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

**PLEASE SIGN HERE**

X \_\_\_\_\_

X \_\_\_\_\_

**(Signature(s) of Owner(s) or Authorized Signatory)**

Dated: \_\_\_\_\_, 2008

Tax Identification or Social Security No.: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Must be signed by registered holder(s) exactly as name(s) appear(s) on the Original Notes or on a security position listing as the owner of the Original Notes or by person(s) authorized to become registered holder(s) by properly completed bond powers transmitted with this Notice of Guaranteed Delivery. If the signature above is by attorney-in-fact, trustee, executor, administrator, guardian, officer of a corporation or other person acting in fiduciary capacity, please set forth the signer's full title. Please complete the following

(PLEASE PRINT OR TYPE):

Name and Capacity (full title): \_\_\_\_\_

Address: \_\_\_\_\_

**THE GUARANTEE ON THE NEXT PAGE MUST BE COMPLETED**

**GUARANTEE  
(NOT TO BE USED FOR SIGNATURE GUARANTEE)**

I, the undersigned, a firm or other entity identified as an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, guarantee (a) that the above named person(s) own(s) the principal amount of 6.50% Notes due 2018 of National Fuel Gas Company (the "Original Notes") tendered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended, (b) that such tender of such Original Notes complies with Rule 14e-4, and (c) that I will deliver to the Exchange Agent the certificates representing the Original Notes tendered hereby or confirmation of book-entry transfer of such Original Notes into the Exchange Agent's account at The Depository Trust Company, in proper form for transfer, together with the Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees or an agent's message in lieu thereof and any other required documents, within three (3) business days after the Expiration Date.

Name of Firm: \_\_\_\_\_

\_\_\_\_\_  
(Authorized Signature)

Address: \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Date: \_\_\_\_\_

NOTE: DO NOT SEND CERTIFICATES REPRESENTING ORIGINAL NOTES WITH THIS FORM. CERTIFICATES REPRESENTING ORIGINAL NOTES SHOULD BE SENT ONLY WITH A LETTER OF TRANSMITTAL.

## INSTRUCTIONS FOR NOTICE OF GUARANTEED DELIVERY

1. *Delivery of this Notice of Guaranteed Delivery* . A properly completed and duly executed copy of this Notice of Guaranteed Delivery and any other documents required by this Notice of Guaranteed Delivery must be received by the Exchange Agent at its address set forth herein on or prior to the Expiration Date. The method of delivery of this Notice of Guaranteed Delivery and any other required documents to the Exchange Agent is at the election and risk of the Holder. If delivery is by mail, it is suggested that Holders use properly insured registered mail, return receipt requested, and that the mailing be made sufficiently in advance of the Expiration Date, to permit delivery to the Exchange Agent on or prior to such date. Instead of delivery by mail, it is recommended that Holders use an overnight or hand-delivery service. Delivery will be deemed made when actually received or confirmed by the Exchange Agent. For description of the guaranteed delivery procedures, see Instruction 2 of the Letter of Transmittal.

2. *Signatures on this Notice of Guaranteed Delivery* . If this Notice of Guaranteed Delivery is signed by the registered Holder(s) of the Original Notes referred to herein, the signature(s) must correspond with the names as written on the face of the certificates without alteration, enlargement, or any change whatsoever. If this Notice of Guaranteed Delivery is signed by a participant in the book-entry transfer facility whose name is shown as the owner of the Original Notes, the signature must correspond with the name shown on the security position listing as the owner of the Original Notes.

If this Notice of Guaranteed Delivery is signed by a person other than the registered Holder(s) of any Original Notes listed as a participant of the book-entry transfer facility, this Notice of Guaranteed Delivery must be accompanied by appropriate bond powers, signed as the name of the registered Holder(s) appears on the Original Notes or signed as the name of the participant shown on the book-entry transfer facility's security position listing.

If this Notice of Guaranteed Delivery is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and submit with the Letter of Transmittal evidence satisfactory to the Company of such person's authority to so act.

3. *Requests for Assistance or Additional Copies* . Questions relating to the procedure for tendering Original Notes and requests for additional copies of the Prospectus, the Letter of Transmittal, this Notice of Guaranteed Delivery and any other documents related to the Exchange Offer may be directed to the Exchange Agent. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.

# LETTER TO REGISTERED HOLDERS AND DTC PARTICIPANTS

**Offer to Exchange  
6.50% Notes due 2018  
which have been registered under the Securities Act of 1933  
for any and all outstanding  
6.50% Notes due 2018  
which have not been registered under the Securities Act of 1933  
of  
NATIONAL FUEL GAS COMPANY**

To Registered Holders and The Depository Trust Company Participants:

We are enclosing herewith the materials listed below relating to the offer by National Fuel Gas Company, a New Jersey corporation (the “Company”), to exchange the Company’s 6.50% Notes due 2018 (the “New Notes”), pursuant to an offering registered under the Securities Act of 1933, as amended (the “Securities Act”), for a like principal amount of its issued and outstanding 6.50% Notes due 2018 issued by the Company on April 11, 2008, which notes have not been registered under the Securities Act (the “Original Notes”) upon the terms and subject to the conditions set forth in the Company’s Prospectus, dated \_\_\_\_\_, 2008, and the related Letter of Transmittal (which together constitute the “Exchange Offer”).

Enclosed herewith are copies of the following documents:

1. Prospectus dated \_\_\_\_\_, 2008;
2. Letter of Transmittal;
3. Notice of Guaranteed Delivery;
4. Instructions to Registered Holder or DTC Participant from Beneficial Owner;
5. Letter which may be sent to your clients for whose account you hold definitive registered notes or book-entry interests representing Original Notes in your name or in the name of your nominee, to accompany the instruction form referred to above, for obtaining such client’s instruction with regard to the Exchange Offer; and
6. Substitute Form W-9 and Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (included with the Letter of Transmittal).

**WE URGE YOU TO CONTACT YOUR CLIENTS PROMPTLY. PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M. NEW YORK CITY TIME, ON \_\_\_\_\_, 2008, UNLESS EXTENDED.**

The Exchange Offer is not conditioned upon any minimum number of Original Notes being tendered.

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To participate in the Exchange Offer, a beneficial holder must either (i) cause to be delivered to The Bank of New York Mellon (the “Exchange Agent”), at the address set forth in the Letter of Transmittal, definitive registered notes representing Original Notes in proper form for transfer together with a properly executed Letter of Transmittal or (ii) cause a DTC Participant to tender such holder’s Original Notes to the Exchange Agent’s account maintained at The Depository Trust Company (“DTC”) for the benefit of the Exchange Agent through DTC’s Automated Tender Offer Program (“ATOP”), including transmission of a computer-generated message that acknowledges and agrees to be bound by the terms of the Letter of Transmittal. By complying with DTC’s ATOP procedures with respect to the Exchange Offer, the DTC Participant confirms on behalf of itself and the beneficial owners of tendered Original Notes all provisions of the Letter of Transmittal applicable to it and such beneficial owners as fully as if it completed, executed and returned the Letter of Transmittal to the Exchange Agent. You will need to contact those of your clients for whose account you hold definitive registered notes or book-entry interests representing Original Notes and seek their instructions regarding the Exchange Offer.

Pursuant to the Letter of Transmittal, each holder of Original Notes will represent to the Company that: (i) the New Notes or book-entry interests therein to be acquired by such holder and any beneficial owner(s) of such Original Notes or interests therein (“Beneficial Owner(s)”) in connection with the Exchange Offer are being acquired by such holder and any Beneficial Owner(s) in the ordinary course of business of the holder and any Beneficial Owner(s), (ii) the holder and each Beneficial Owner are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the New Notes, (iii) the holder and each Beneficial Owner acknowledge and agree that any person who is a broker-dealer registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or is participating in the Exchange Offer for the purpose of distributing the New Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the New Notes or interests therein acquired by such person and cannot rely on the position of the staff of the Securities and Exchange Commission (the “Commission”) set forth in certain no-action letters, (iv) the holder and each Beneficial Owner understand that a secondary resale transaction described in clause (iii) above and any resales of New Notes or interests therein obtained by such holder in exchange for Original Notes or interests therein originally acquired by such holder directly from the Company should be covered by an effective registration statement containing the selling security holder information required by Item 507 or Item 508, as applicable, of Regulation S-K of the Commission and (v) neither the holder nor any Beneficial Owner(s) is an “affiliate,” as defined in Rule 405 under the Securities Act, of the Company. Upon a request by the Company, a holder or beneficial owner will deliver to the Company a legal opinion confirming its representation made in clause (v) above. If the tendering holder of Original Notes is a broker-dealer (whether or not it is also an “affiliate”) or any Beneficial Owner(s) that will receive New Notes for its own or their account pursuant to the Exchange Offer, the tendering holder will represent on behalf of itself and the Beneficial Owner(s) that the Original Notes to be exchanged for the New Notes were acquired as a result of market-making activities or other trading activities, and acknowledge on its own behalf and on

the behalf of such Beneficial Owner(s) that it or they will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes; provided, however, by so acknowledging and by delivering a prospectus, such tendering holder will not be deemed to admit that it or any Beneficial Owner is an “underwriter” within the meaning of the Securities Act.

The enclosed “Instructions to Registered Holder or DTC Participant from Beneficial Owner” form contains an authorization by the beneficial owners of Original Notes for you to make the foregoing representations. You should forward this form to your clients and ask them to complete it and return it to you. You will then need to tender Original Notes on behalf of those of your clients who ask you to do so.

The Company will not pay any fee or commission to any broker or dealer or to any other persons (other than the Exchange Agent) in connection with the solicitation of tenders of Original Notes pursuant to the Exchange Offer. The Company will pay or cause to be paid any transfer taxes payable on the transfer of Original Notes to it, except as otherwise provided in the section “The Exchange Offer — Fees and Expenses” of the enclosed Prospectus.

Additional copies of the enclosed materials may be obtained from the Exchange Agent at its address and telephone number set forth on the front of the Letter of Transmittal.

Very truly yours,

NATIONAL FUEL GAS COMPANY

**NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU THE AGENT OF THE COMPANY OR THE EXCHANGE AGENT OR AUTHORIZE YOU TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON THEIR BEHALF IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HERewith AND THE STATEMENTS CONTAINED THEREIN.**

**INSTRUCTIONS TO REGISTERED HOLDER  
OR DTC PARTICIPANT  
FROM BENEFICIAL OWNER  
FOR  
6.50% NOTES DUE 2018  
OF  
NATIONAL FUEL GAS COMPANY**

The undersigned hereby acknowledges receipt of the Prospectus dated \_\_\_\_\_, 2008 (the "Prospectus") of National Fuel Gas Company, a New Jersey corporation (the "Company"), and the accompanying Letter of Transmittal (the "Letter of Transmittal") that together constitute the Company's offer (the "Exchange Offer") to exchange \$300,000,000 of its 6.50% Notes due 2018 ("New Notes") registered under the Securities Act of 1933, as amended (the "Securities Act"), for an identical principal amount of its outstanding 6.50% Notes due 2018 which have not been registered under the Securities Act (the "Original Notes"). Capitalized terms used but not defined herein have the meanings assigned to them in the Prospectus and the Letter of Transmittal.

This will instruct you, the registered holder, as to the action to be taken by you relating to the Exchange Offer with respect to the Original Notes held by you for the account of the undersigned, on the terms and subject to the conditions in the Prospectus and Letter of Transmittal.

The principal amount of the Original Notes held by you for the account of the undersigned is (fill in the amount):

\$ \_\_\_\_\_

(principal amount of Original Notes).

With respect to the Exchange Offer, the undersigned hereby instructs you (check appropriate box):

- To TENDER ALL of the Original Notes held by you for the account of the undersigned.
- To TENDER the following Original Notes held by you for the account of the undersigned ( *insert principal amount of Original Notes to be tendered, if any* ):

\$ \_\_\_\_\_

(principal amount of Original Notes).

- NOT TO TENDER any Original Notes held by you for the account of the undersigned.
-

If the undersigned is instructing you to tender any or all of the Original Notes held by you for the account of the undersigned, the undersigned agrees and acknowledges that you are authorized:

(a) to make, on behalf of the undersigned (and the undersigned, by its signature below, hereby makes to you), the representations and warranties contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner of the Original Notes, including but not limited to the representations that: (i) the New Notes or book-entry interests therein to be acquired by the undersigned (the “Beneficial Owner(s)”) in connection with the Exchange Offer are being acquired by the undersigned in the ordinary course of business of the undersigned, (ii) the undersigned is not participating, does not intend to participate, and has no arrangement or understanding with any person to participate, in the distribution of the New Notes, (iii) the undersigned acknowledges and agrees that any person who is a broker-dealer registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or is participating in the Exchange Offer for the purpose of distributing the New Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the New Notes or interests therein acquired by such person and cannot rely on the position of the staff of the Securities and Exchange Commission (the “Commission”) set forth in certain no-action letters, (iv) the undersigned understands that a secondary resale transaction described in clause (iii) above and any resales of New Notes or interests therein obtained by such holder in exchange for Original Notes or interests therein originally acquired by such holder directly from the Company should be covered by an effective registration statement containing the selling security holder information required by Item 507 or Item 508, as applicable, of Regulation S-K of the Commission, and (v) the undersigned is not an “affiliate,” as defined in Rule 405 under the Securities Act, of the Company. If the undersigned is a broker-dealer (whether or not it is also an “affiliate”) that will receive New Notes for its own account pursuant to the Exchange Offer, the undersigned represents that the Original Notes to be exchanged for the New Notes were acquired by it as a result of market-making activities or other trading activities, and acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes; provided, however, by so acknowledging and by delivering a prospectus, the undersigned does not and will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act;

(b) to agree on behalf of the undersigned, as set forth in the Letter of Transmittal; and

(c) to take such other action as necessary under the Prospectus or the Letter of Transmittal to effect the valid tender of the Original Notes.

**SIGN HERE**

Name of beneficial owner(s) (please print):

\_\_\_\_\_

Signature(s):

\_\_\_\_\_

Address:

\_\_\_\_\_

Telephone Number:

\_\_\_\_\_

Taxpayer Identification or Social Security Number:

\_\_\_\_\_

Date: \_\_\_\_\_, 2008

LETTER TO CLIENTS

Offer to Exchange  
6.50% Notes due 2018  
which have been registered under the Securities Act of 1933  
for any and all outstanding  
6.50% Notes due 2018  
which have not been registered under the Securities Act of 1933  
of  
NATIONAL FUEL GAS COMPANY

To Our Clients:

We are enclosing herewith a Prospectus, dated \_\_\_\_\_, 2008, of National Fuel Gas Company (the “Company”) and a related Letter of Transmittal (which together constitute the “Exchange Offer”) relating to the offer by the Company to exchange the Company’s 6.50% Notes due 2018 (the “New Notes”), pursuant to an offering registered under the Securities Act of 1933, as amended (the “Securities Act”), for a like principal amount of its 6.50% Notes due 2018 issued initially on April 11, 2008 (the “Original Notes”) upon the terms and subject to the conditions set forth in the Prospectus and the Letter of Transmittal.

**PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2008, UNLESS EXTENDED.**

The Exchange Offer is not conditioned upon any minimum number of Original Notes being tendered.

This material is being forwarded to you as the beneficial owner of the Original Notes carried by us in your account, but not registered in your name. **A TENDER OF SUCH ORIGINAL NOTES CAN BE MADE ONLY BY US AS THE REGISTERED HOLDER FOR YOUR ACCOUNT AND PURSUANT TO YOUR INSTRUCTIONS. THE ENCLOSED LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED TO TENDER ORIGINAL NOTES.**

Pursuant to the Letter of Transmittal, each holder of Original Notes must make certain representations and warranties that are set forth in the Letter of Transmittal and in the attached form that we have provided to you for your instructions regarding what action we should take in the Exchange Offer with respect to your interest in the Original Notes.

We request instructions as to whether you wish to tender any or all of your Original Notes held by us for your account pursuant to the terms and subject to the conditions of the Exchange Offer. We also request that you confirm that we may on your behalf make the representations contained in the Letter of Transmittal that are to be made with respect to you as beneficial owner.

Your instructions to us should be forwarded as promptly as possible in order to permit us to tender Original Notes on your behalf in accordance with the provisions of the Exchange Offer. **THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME,**

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**ON** , **2008, UNLESS EXTENDED** . Original Notes tendered pursuant to the Exchange Offer may be withdrawn, subject to the procedures described in the Prospectus, at any time prior to such Expiration Date.

If you wish to have us tender any or all of your Original Notes held by us for your account or benefit, please so instruct us by completing, executing and returning to us the attached instruction form. The accompanying Letter of Transmittal is furnished to you for informational purposes only and may not be used by you to tender Original Notes held by us and registered in our name for your account or benefit. **NONE OF THE ORIGINAL NOTES HELD BY US FOR YOUR ACCOUNT WILL BE TENDERED UNLESS WE RECEIVE WRITTEN INSTRUCTIONS FROM YOU TO DO SO. UNLESS A SPECIFIC CONTRARY INSTRUCTION IS GIVEN, YOUR SIGNATURE ON THE ATTACHED “INSTRUCTIONS TO REGISTERED HOLDER OR DTC PARTICIPANT FROM BENEFICIAL OWNER” SHALL CONSTITUTE AN INSTRUCTION TO US TO TENDER ALL OF THE ORIGINAL NOTES HELD BY US FOR YOUR ACCOUNT.**

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Original Notes held by us for your account, pursuant to the terms and conditions set forth in the enclosed Prospectus and Letter of Transmittal.

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9**

**Guidelines for Determining the Proper Identification Number to Give the Payer** . Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer Identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the Payer.

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**For this type of account:**

**Give the SOCIAL SECURITY NUMBER of:**

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1. An individual's account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>(1)</sup>
3. Husband and wife (joint account)	The actual owner of the account or, if joint funds, the first individual on the account <sup>(1)</sup>
4. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>(2)</sup>
5. Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor <sup>(1)</sup>
6. Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor, or incompetent person <sup>(4)</sup>
7. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>(1)</sup>
b. So-called trust account that is not a legal or valid trust under State law	The actual owner <sup>(1)</sup>
8. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>(5)</sup>

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**For this type of account:**

**Give the TAXPAYER IDENTIFICATION  
NUMBER of:**

9. Disregarded entity not owned by an individual	The owner
10. A valid trust, estate, or pension trust	Legal entity <sup>(3)</sup>
11. Corporate or LLC electing corporate status on Form 8832	The corporation
12. Partnership or multi-member LLC	The partnership
13. Association, club, religious, charitable, educational or other tax-exempt organization	The organization

14. A broker or registered nominee

The broker or nominee

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14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments

The public entity

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- (1) List first and circle the name of the person whose number you furnish.
- (2) Circle the minor's name and furnish the minor's social security number.
- (3) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the identifying number of the personal representative or trustee unless the legal entity is not designated in the account title.)
- (4) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.
- (5) You must show your individual name, but you may also enter your business or "doing business as" name. You may either use your Social Security Number or Employer Identification Number (if you have one).

NOTE: If no name is circled when there is more than one name listed, the number will be considered to be that of the first name listed.

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION  
NUMBER ON SUBSTITUTE FORM W-9**

Section references are to the Internal Revenue Code of 1986, as amended (“the Code”).

**Obtaining a Number**

If you don’t have a Taxpayer Identification Number or you do not know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service (the “IRS”), from [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM and apply for a number.

**Payees Exempt from Backup Withholding**

The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item (9). For broker transactions, payees listed in (1) through (13) and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt. Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items (1) through (7), except that a corporation that provides medical and health care services or bills and collects payments for such services is not exempt from backup withholding or information reporting. Only payees described in items (2) through (6) are exempt from backup withholding for barter exchange transactions and patronage dividends.

- (1) A corporation.
- (2) An organization exempt from tax under section 501(a) , or an individual retirement plan (“IRA”), or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
- (3) The United States or any of its agencies or instrumentalities.
- (4) A State, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
- (5) A foreign government or any of its political subdivisions, agencies or instrumentalities.
- (6) An international organization or any of its agencies or instrumentalities.
- (7) A foreign central bank of issue.
- (8) A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- (9) A futures commission merchant registered with the Commodity Futures Trading Commission.
- (10) A real estate investment trust.
- (11) An entity registered at all times during the tax year under the Investment Company Act of 1940.

- (12) A common trust fund operated by a bank under section 584(a).
- (13) A financial institution.
- (14) A middleman known in the investment community as a nominee or custodian.
- (15) A trust exempt from tax under section 664 or described in section 4947.

**EXEMPT PAYEES DESCRIBED ABOVE SHOULD FILE SUBSTITUTE FORM W-9 TO AVOID POSSIBLE ERRONEOUS BACKUP WITHHOLDING. FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM IN PART II, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYOR.**

**Privacy Act Notice** . Section 6109 requires you to give your correct Taxpayer Identification Number to persons who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. The IRS may also disclose this information to other countries under a tax treaty, or to federal or state agencies to enforce federal non-tax criminal laws and to combat terrorism. You must provide your Taxpayer Identification Number whether or not you are required to file a tax return. Payers must generally withhold a certain percentage (currently, 28%) of taxable interest, dividends, and certain other payments to a payee who does not furnish a Taxpayer Identification Number to a payer. Certain penalties may also apply.

### **Penalties**

- (1) **Penalty for Failure to Furnish Taxpayer Identification Number** . If you fail to furnish your Taxpayer Identification Number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.
- (2) **Civil Penalty for False Information with Respect to Withholding** . If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.
- (3) **Criminal Penalty for Falsifying Information** . Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.
- (4) **Misuse of Taxpayer Identification Numbers**. If the payer discloses or uses Taxpayer Identification Numbers in violation of federal law, the payer may be subject to civil and criminal penalties.

**FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.**