

of New York designated from time to time by the Board of Directors of the Company.

SECTION 2. The bonds of the 2.65% Series and the coupons attached thereto, and the Certificate of the Trustee to be endorsed on the bonds, are to be substantially in the forms following, respectively:

[FORM OF COUPON BOND, 2.65% SERIES DUE 1977.]

DUKE POWER COMPANY
FIRST AND REFUNDING MORTGAGE BONDS,
2.65% SERIES DUE 1977
Due September 1, 1977

No. CM-

\$1000

Duke Power Company, a New Jersey corporation (hereinafter called the Company), for value received, acknowledges itself indebted and hereby promises to pay to the bearer, or, if this bond be registered, to the registered owner hereof, on September 1, 1977, One Thousand Dollars, in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts, at the office or agency of the Company, in the Borough of Manhattan, The City of New York, and to pay interest thereon from September 1, 1947, at the rate of two and sixty-five hundredths per cent. per annum, in like coin or currency, at said office or agency, semi-annually on March 1 and September 1 in each year, until the principal hereof becomes due and payable, payable until the maturity of said principal according to the tenor of the respective coupons hereto attached and upon presentation and surrender thereof.

This bond is one of the bonds of the 2.65% Series due 1977 of an authorized issue of bonds of the Company, with-