

SECTION 6. The place or places of payment (as to principal and premium, if any, and interest), redemption, transfer, exchange and registration of the bonds of the 1997 Series shall be the office or offices or the agency or agencies of the Company in the Borough of Manhattan, The City of New York, designated from time to time by the Board of Directors of the Company.

SECTION 7. The forms of the bonds of the 1997 Series and the certificate of the Trustee to be endorsed on the bonds, respectively, are to be substantially as follows (certain of the provisions of the bonds of the 1997 Series may be set forth on the reverse thereof):

[FORM OF BOND OF THE 1997 SERIES]
DUKE POWER COMPANY
FIRST AND REFUNDING MORTGAGE BOND,
5 $\frac{3}{8}$ % SERIES DUE 1997

No.

\$

DUKE POWER COMPANY, a North Carolina corporation (hereinafter called the "Company"), for value received, acknowledges itself indebted and hereby promises to pay to or registered assigns on April 1, 1997,

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 at said office or agency from the interest payment date next preceding the date hereof to which interest on outstanding bonds of this series has been paid (unless the date hereof is prior to October 1, 1967, in which case from April 1, 1967, and unless the date hereof is a March date subsequent to March 15, or a September date subsequent to September 15, in which case from the next succeeding April 1 or October 1, as the case may be), at the rate of five and three-eighths per cent. per annum, in like coin or currency, semi-annually on October 1 and April 1 in each year, until the principal hereof shall become due and payable. Such interest payments shall be made by check mailed to the person in whose name this bond is registered at the close of business on the preceding 15th day of March or September, as the case may be (subject to certain exceptions provided in the Indenture hereinafter mentioned), at his address as it shall appear upon the bond register of the Company.