CAROLINA POWER & LIGHT COMPANY
TO
IRVING BANK-COLUMBIA TRUST COMPANY, Trustee

INDENTURE, dated as of the first day of April, 1926, made and entered into by and between CAROLINA POWER & LIGHT COMPANY, a corporation of the State of North Carolina (the successor by the merger and consolidation of Carolina Power & Light Company, Asheville Power & Light Company, Yadkin River Power Company, Pigeon River Power Company and Carolina Power Company, corporations of the State of North Carolina), hereinafter sometimes called the Company, party of the first part, and IRVING BANK-COLUMBIA TRUST COMPANY, a corporation of the State of New York, hereinafter sometimes called the Trustee, as Trustee, party of the second part; this Indenture having been executed and delivered in the City of New York, New York, on the twelfth day of April, 1926;

WHEREAS, the Company has deemed it necessary to borrow money for its corporate purposes and to issue its bonds therefor from time to time in one or more series; and to mortgage and pledge its property, hereinafter described, to secure the payment of the same, such bonds to be coupon bonds and registered bonds without coupons, authenticated by the certificate of the Trustee and issuable as in this Indenture hereinafter provided, such coupon bonds, registered bonds without coupons and Trustee's certificate to be substantially in the forms following, respectively, with such insertions, omissions and variations as the Board of Directors of the Company may determine in accordance with the provisions of this Indenture:

(General Form of Coupon Bond.)

UNITED STATES OF AMERICA,
State of North Carolina.

CAROLINA POWER & LIGHT COMPANY.

No..... .....Mortgage Gold Bond. $.....

.....Series.....

Carolina Power & Light Company, a corporation of the State of North Carolina (hereinafter called the Company), for value received, hereby promises to pay to the bearer, or, if this bond be registered, to the registered holder hereof, on , , at the office or agency of the Company in , dollars in gold coin of the United States of America, of the standard of weight and fineness as it existed on , , , and to pay interest thereon from at the rate of per centum per annum in like gold coin, payable at said office or agency on and in each year according to the tenor of the respective coupons hereto attached, and upon presentation and surrender thereof, until the Company's obligation with respect to the payment of such principal shall be discharged.

This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its Mortgage Gold Bonds, Series , all issued and to be issued under and equally secured by a Mortgage and Deed of Trust (herein called the Mortgage), dated April 1, 1926, executed by the Company to Irving Bank-Columbia Trust Company, as Trustee, to which reference is made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds in respect thereof and the terms and conditions upon which the bonds are issued and secured. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and of the holders of the bonds and coupons and the terms and provisions of the Mortgage or of any instrument supplemental thereto may be modified or altered by affirmative vote of at least eighty-five per centum (85%) in amount of the bonds then outstanding; provided that no such modification or alteration shall permit the extension of the maturity of this bond or a reduction in the rate of interest hereon without the consent of the holder hereof.

The principal hereof may be declared or may become due on the conditions, in the manner and at the time set forth in the Mortgage, upon the happening of a default as in the Mortgage provided.

This bond shall pass by delivery unless registered as to principal in the owner's name at the office or agency of the Company in , and such registration noted hereon, after which no valid transfer hereof can be made, except at such office or agency, until after registered transfer to bearer, but after such registered transfer to bearer this bond shall be again transferable by delivery. Such registration, however, shall not affect the negotiability of the coupons, which shall always remain payable to bearer and transferable by delivery. The Company and the Trustee may deem and treat the bearer of this bond, or if this bond is registered as herein authorized, the person in whose name the same is registered, as the absolute owner hereof for the purpose of receiving payment hereof and on account hereof and for the other purposes.

No recourse shall be had for the payment of the principal or interest of this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any successor corporation, either directly or through the Company or any successor corporation, under any rule of law, statute, constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall not become obligatory until Irving Bank-Columbia Trust Company, the Trustee under the Mortgage, or its successor thereunder, shall have signed the form of certificate endorsed hereon.

In witness whereof, Carolina Power & Light Company has caused this bond to be signed in its name by its President or a Vice-President and its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and interest coupons bearing the fac-simile signature of its Treasurer to be attached hereto, as of

CAROLINA POWER & LIGHT COMPANY,
By
President.

Attest:
Secretary.

(General Form of Coupon)

No..... $.....

On , , Carolina Power & Light Company will pay to bearer, at its office or agency in dollars in gold coin, as specified in its Mortgage Gold Bond No. , ...Series , being six months' interest then due on said bond.

This coupon will not be payable if said bond shall have been called for previous redemption.

.....,
Treasurer.

The Words "This coupon will not be payable if said bond shall have been called for previous redemption," will appear only upon coupons to which they are applicable by reason of provisions for redemption prior to maturity contained in the bonds to which such coupons are attached.